
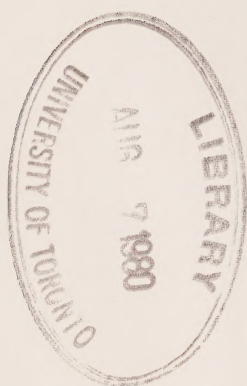


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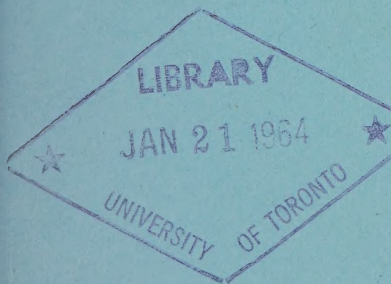
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ONTARIO, PROVINCIAL
AUDITOR'S Office.
REPORT
1962-63

(PROVINCE OF ONTARIO)

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



TORONTO
PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER
1963

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PROVINCIAL AUDITOR'S REPORT

1962-63

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO
SESSIONAL PAPER No. 3, 1964



ONTARIO

TORONTO

PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER
1963



TO THE HONOURABLE W. EARL ROWE, P.C.(C.),
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

The undersigned has the honour to present to Your Honour the following report for the fiscal year ended March 31st, 1963, in accordance with the requirements of The Audit Act.

Respectfully submitted,

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Provincial Auditor's Office,
Toronto, November 29, 1963.

REPORT OF THE PROVINCIAL AUDITOR TO THE
LEGISLATIVE ASSEMBLY OF ONTARIO FOR THE
FISCAL YEAR ENDED MARCH 31st, 1963, IN
ACCORDANCE WITH THE REQUIREMENTS OF
THE AUDIT ACT.

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REPORT OF THE PROVINCIAL AUDITOR

1962 - 1963

I have the honour to report to the Legislative Assembly on the examination and audit of the accounts of the Province of Ontario for the fiscal year ended March 31, 1963, in accordance with the requirements of section 20 of The Audit Act.

I have examined the Balance Sheet of the Province of Ontario as at March 31, 1963, the Statements of Revenue and Expenditure for the year ended on that date and other related statements, and have compared them with the books of account and financial records. I have obtained all the information and explanations I have required.

Subject to the qualifications in this report, in my opinion and according to the best of my information and the explanations given to me and as shown by the books of the Province, the Balance Sheet, Statements of Revenue and Expenditure and the other related statements are properly drawn up in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year so as to present fairly the financial position of the Province as at March 31, 1963, and the results of its operations for the year then ended.

BASIS OF ACCOUNTING

Accounting for revenue and expenditure may be done on either the "cash" basis or the "accrual" basis. When the flow of cash is of primary concern, revenues are taken into account in the period in which they are received in cash and expenditures are accounted for in the period when the cash payments are made. In the "accrual" method, revenues are recorded when earned or due, even though collection may be deferred, and expenditures are accounted for when the liability for the expenditure is incurred, whether the actual cash is paid out in the period or not.

As in previous years, the accounts of the Province of Ontario have been kept on a cash basis because this system of accounting provides a sound basis for departmental accountability for the receipt and disbursement of public funds. This is important from the viewpoint of maintaining Legislative control. However, modifications have been introduced at the end of the fiscal year to facilitate the maintenance of accounting control over certain assets and liabilities and to provide for valuation adjustments for certain assets in anticipation of possible losses upon final realization. The balance sheet has been prepared so as to present the financial position of the Province as at March 31, 1963 on a modified accrual basis with the required accounting adjustments being made through Surplus Account.

OPERATIONS FOR 1962-63

The Honourable James N. Allan, as Treasurer of Ontario, in his address to the Legislative Assembly of Ontario on March 1, 1962, presented budget forecasts of ordinary revenue and expenditure and of capital receipts and disbursements for the fiscal year ended March 31, 1963, and in his address to the Legislative Assembly of Ontario on February 7, 1963, presented interim statements of ordinary revenue and expenditure and of capital receipts and disbursements for the same fiscal year, consisting of nine months' actual results and three months' forecast.

The statements which follow compare the budget forecasts after inclusion of Supplementary Estimates with the actual results for the fiscal year ended March 31, 1963. Comparative summaries of the interim statements (nine months' actual and three months' forecast) and the actual results for the fiscal year ended March 31, 1963, are appended to this report together with certain other statements and charts presenting information on the financial operations of the Province as detailed on page 34 of this report.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL ORDINARY REVENUE
FOR THE FISCAL YEAR APRIL 1, 1962, TO MARCH 31, 1963**

DEPARTMENT	BUDGET ORDINARY REVENUE	NET ACTUAL ORDINARY REVENUE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture.....	\$ 1,747,000	\$ 1,804,230	\$ 57,230	\$
Attorney General.....	8,830,000	10,052,998	1,222,998	
Economics and Development.....	805,000	763,270		41,730
Education.....	4,718,000	4,646,780		71,220
Energy Resources.....	252,000	245,745		6,255
Health.....	1,878,000	2,022,685	144,685	
Highways.....	1,466,000	1,574,429	108,429	
Insurance.....	624,000	719,177	95,177	
Labour.....	1,069,000	1,212,453	143,453	
Lands and Forests.....	21,040,000	21,852,509	812,509	
Mines.....	13,234,000	16,500,147	3,266,147	
Municipal Affairs.....	348,000	334,359		13,641
Prime Minister.....		45	45	
Provincial Secretary and Citizenship	2,405,000	2,463,120	58,120	
Public Welfare.....		48,957	48,957	
Public Works.....	949,000	1,007,812	58,812	
Reform Institutions.....	742,000	728,967		13,033
Transport.....	71,000,000	69,634,293		1,365,707
Travel and Publicity.....	290,000	283,355		6,645
Treasury:				
Main Office—Subsidies.....	3,641,000	4,624,070	983,070	
Interest.....	71,000	74,130	3,130	
Miscellaneous.....		19,952	19,952	
Ontario Racing Commission.....	140,000	171,237	31,237	
Liquor Control Board of Ontario.....	84,600,000	87,500,000	2,900,000	
Public Utilities Tax.....	600,000	967,307	367,307	
Water Power Rentals.....	5,700,000	5,267,942		432,058
Comptroller of Revenue—				
Income Tax Collection Agree-				
ment.....	153,188,000	151,844,240		1,343,760
Corporations Tax.....	185,000,000	185,717,994	717,994	
Succession Duty.....	40,000,000	44,148,863	4,148,863	
Retail Sales Tax.....	160,000,000	175,714,557	15,714,557	
Gasoline Tax.....	170,000,000	173,135,315	3,135,315	
Motor Vehicle Fuel Tax.....	7,800,000	8,204,235	404,235	
Hospitals Tax.....	4,300,000	4,224,715		75,285
Race Tracks Tax.....	6,500,000	6,937,295	437,295	
Security Transfer Tax.....	3,200,000	2,926,291		273,709
Land Transfer Tax.....	3,700,000	3,844,280	144,280	
Logging Tax.....	2,000,000	2,392,768	392,768	
Miscellaneous.....		1,379	1,379	
Total for Treasury.....	<u>\$830,440,000</u>	<u>\$857,716,570</u>	<u>\$29,401,382</u>	<u>\$ 2,124,812</u>
	<u>\$961,837,000</u>	<u>\$993,611,901</u>	<u>\$35,417,944</u>	<u>\$ 3,643,043</u>

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL ORDINARY EXPENDITURE
FOR THE FISCAL YEAR APRIL 1, 1962, TO MARCH 31, 1963**

DEPARTMENT	BUDGET* ORDINARY EXPENDITURE	NET ACTUAL ORDINARY EXPENDITURE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture.....	\$ 16,993,000	\$ 17,138,235	\$ 145,235	\$
Attorney General.....	24,681,000	25,053,949	372,949	
Civil Service.....	942,000	845,356		96,644
Economics and Development.....	5,907,500	5,548,143		359,357
Education.....	360,838,000	348,367,974		12,470,026
Energy Resources.....	725,000	649,465		75,535
Health.....	148,043,000	144,302,638		3,740,362
Highways.....	78,413,000	78,784,248	371,248	
Insurance.....	466,000	451,598		14,402
Labour.....	3,966,000	3,795,819		170,181
Lands and Forests.....	27,237,000	25,579,140		1,657,860
Lieutenant Governor.....	26,000	37,430	11,430	
Mines.....	2,075,000	1,982,053		92,947
Municipal Affairs.....	43,495,000	41,771,275		1,723,725
Prime Minister.....	185,000	210,313	25,313	
Provincial Auditor.....	520,000	463,462		56,538
Provincial Secretary and Citizenship	3,928,000	3,898,151		29,849
Public Welfare.....	60,853,000	56,675,600		4,177,400
Public Works.....	11,911,000	11,848,367		62,633
Reform Institutions.....	15,012,000	14,568,611		443,389
Transport.....	5,822,000	5,589,310		232,690
Travel and Publicity.....	2,235,000	2,128,542		106,458
Treasury.....	17,702,500	16,930,544		771,956
Stationery Account.....		6,157	6,157	
	<u>\$831,976,000</u>	<u>\$806,626,380</u>	<u>\$ 932,332</u>	<u>\$26,281,952</u>
Public Debt:				
Interest, etc.....	60,324,000	57,406,874		2,917,126
Provision for Sinking Fund.....	39,000,000	39,000,000		
Total Budget.....	<u>\$931,300,000</u>	<u>\$903,033,254</u>	<u>\$ 932,332</u>	<u>\$29,199,078</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	66,000,000	90,000,000	24,000,000	
	<u>\$997,300,000</u>	<u>\$993,033,254</u>	<u>\$24,932,332</u>	<u>\$29,199,078</u>

**COMPARATIVE SUMMARY
BUDGET AND ACTUAL ORDINARY REVENUE AND ORDINARY EXPENDITURE
FOR THE FISCAL YEAR APRIL 1, 1962, TO MARCH 31, 1963**

	BUDGET*	ACTUAL	ACTUAL TO BUDGET
Net Ordinary Revenue.....	\$961,837,000	\$993,611,901	\$31,774,901
Less: Net Ordinary Expenditure (before items below).....	\$892,300,000	\$864,033,254	\$28,266,746
Provision for Sinking Fund.....	39,000,000	39,000,000	
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	66,000,000	90,000,000	24,000,000
Net Ordinary Expenditure.....	<u>\$997,300,000</u>	<u>\$993,033,254</u>	<u>\$ 4,266,746</u>
Surplus.....	<u>\$ 35,463,000</u>	<u>\$ 578,647</u>	<u>\$36,041,647</u>

*Includes Supplementary Estimates.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL CAPITAL RECEIPTS
FOR THE FISCAL YEAR APRIL 1, 1962, TO MARCH 31, 1963**

DEPARTMENT	BUDGET CAPITAL RECEIPTS	NET ACTUAL CAPITAL RECEIPTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture:				
Contract Security Deposits.....	\$	\$ 5,800	\$ 5,800	\$
Economics and Development:				
Loans and Advances—				
The Housing Development Act...	1,450,000	1,734,543	284,543	
Education:				
Loans and Advances—				
Provincial Student-Aid Loans....	500,000	525,994	25,994	
Energy Resources:				
Abandoned Works Fund—				
Fees.....		415	415	
Contract Security Deposits.....		2,000	2,000	
Highways:				
Sale of Land and Buildings, etc....	540,000	1,399,765	859,765	
Contract Security Deposits.....		104,283	104,283	
Labour:				
Vacation-with-Pay Stamps.....	11,000,000	8,977,478		2,022,522
Contract Security Deposits.....		440	440	
Lands and Forests:				
Sale of Land.....	600,000	627,054	27,054	
Logging Roads.....	200,000	94,298		105,702
Contract Security Deposits.....		7,300	7,300	
Mines:				
Sale of Mining Lands.....		66,302	66,302	
Public Welfare:				
Old Age Assistance, etc.....		9,589	9,589	
Public Works:				
Sale of Land and Buildings, etc....		725,609	725,609	
Contract Security Deposits.....		48,510	48,510	
Transport:				
Motor Vehicle Accident Claims Fund	5,500,000	4,695,296		804,704
Treasury:				
Appropriation from Ordinary				
Account—				
Provision for Sinking Fund.....	39,000,000	39,000,000		
Loans and Advances.....	7,568,000	9,483,943	1,915,943	
Special Funds—				
Public Service Superannuation				
Fund.....	28,900,000	29,918,371	1,018,371	
Public Service Retirement Fund..	1,130,000	1,253,134	123,134	
Ontario Hospital Services Com-				
mission—Special Account.....		18,435,250	18,435,250	
Other.....	501,000	1,202,028	701,028	
Premium, Discount and Foreign Ex-				
change on Debentures.....	1,860,000	1,894,374	34,374	
Other.....		34,770	34,770	
	<u>\$9 8,749,000</u>	<u>\$120,246,546</u>	<u>\$24,430,474</u>	<u>\$2,932,928</u>

COMPARATIVE STATEMENT OF BUDGET AND ACTUAL CAPITAL DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1962, TO MARCH 31, 1963

DEPARTMENT	BUDGET CAPITAL DISBURSE- MENTS	NET ACTUAL CAPITAL DISBURSE- MENTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture:				
The Co-operative Loans Act—Loans.....	\$ 450,000	\$ 442,500	\$	\$ 7,500
Economics and Development:				
The Housing Development Act.....	5,600,000	1,843,401		3,756,599
Education:				
Provincial Student-Aid Loans.....	3,000,000	2,331,688		668,312
Energy Resources:				
Assistance for Rural Power Transmission Lines.....	700,000	921,284	221,284	
Highways:				
Highway Construction.....	125,052,000	117,173,668		7,878,332
Development and Other Roads.....	9,800,000	8,061,030		1,738,970
Municipal Subsidies.....	51,000,000	47,130,363		3,869,637
Contingencies.....	35,000	3,436		31,564
Labour:				
Vacation-with-Pay Stamps.....	11,000,000	8,759,566		2,240,434
Lands and Forests:				
Logging Roads.....	200,000	94,298		105,702
Conservation Authorities—Grants.....	4,500,000	2,840,630		1,659,370
Mines:				
Mining and Access Roads.....	1,000,000	896,453		103,547
Municipal Affairs:				
Townsites—Investigation, Design, etc.....	50,000	10,569		39,431
Improvement Districts—Advances to and Purchase of Debentures.....	130,000	100,000		30,000
Loans to The Improvement District of Elliot Lake.....	600,000	600,000		
Purchase of Debentures for Subway Pur- poses—The Municipality of Metropolitan Toronto.....	10,000,000	10,000,000		
Ontario Water Resources Commission— Plant and Equipment.....	25,000,000	12,410,328		12,589,672
Public Welfare:				
Old Age Assistance, etc.....		9,145	9,145	
Public Works:				
Purchase of Property and Construction of Buildings.....	37,000,000	25,532,960		11,467,040
Dams, Docks and Locks.....	975,000	844,081		130,919
Transport:				
Motor Vehicle Accident Claims Fund.....	2,800,000	4,434,530	1,634,530	
Treasury:				
Registry Offices Surplus Fees.....	250,000	353,610	103,610	
Tile Drainage Debentures.....	1,000,000	1,375,650	375,650	
The Ontario Municipal Improvement Cor- poration—Advances.....		1,024,000	1,024,000	
Government of Canada Repayment under Tax Rental Agreement 1952-56.....		5,498,812	5,498,812	
Refunds of Capital Receipts, prior years...	150,000	1,103,500	953,500	
Public Service Superannuation Fund.....	7,580,000	8,106,385	526,385	
Public Service Retirement Fund.....	1,095,000	1,576,354	481,354	
Queen Elizabeth II Ontario Scholarship Fund	25,000	22,108		2,892
Other.....		35,020	35,020	
Less: Financed out of Ordinary Revenue.....	\$298,992,000 66,000,000	\$263,535,369 90,000,000	\$10,863,290 24,000,000	\$46,319,920
	<u>\$232,992,000</u>	<u>\$173,535,369</u>	<u>\$13,136,710</u>	<u>\$46,319,920</u>

Estimated gross expenditure for the year, shown on page 5 of the 1963 Estimates, was \$1,253,562,000. This amount does not include Supplementary Estimates of \$35,837,000 voted by the Legislature in February, 1963. Taking the Supplementary Estimates into account, the total estimates for the year amounted to \$1,289,399,000. The related actual gross expenditure was \$1,228,085,817, a net decrease of \$61,313,183.

In the Budget Statement presented by the Treasurer of Ontario on March 1, 1962, as shown in the Budget Forecast of Ordinary Expenditure on page 49, it was estimated that \$66,000,000 of Capital Disbursements would be financed out of Ordinary Revenue. The actual net revenue of the Province for the fiscal year ended March 31, 1963, permitted \$90,000,000 to be applied to this purpose, an increase of \$24,000,000 from the forecast amount of \$66,000,000.

The following analysis summarizes the decrease in gross actual expenditure from total estimated gross expenditure:

**ANALYSIS OF GROSS EXPENDITURE
FOR THE FISCAL YEAR ENDED MARCH 31, 1963**

CLASSIFICATION	TOTAL ESTIMATES	GROSS ACTUAL	GROSS ACTUAL OVER ESTIMATES	GROSS ACTUAL UNDER ESTIMATES
Ordinary—				
Voted—				
Main Estimates.....	\$ 786,512,000			
Supplementary Estimates..	35,837,000			
	<u>\$ 822,349,000</u>	<u>\$ 796,004,812</u>		<u>\$ 26,344,188</u>
Statutory.....	152,522,000	152,600,382	\$ 78,382	
Special Warrants.....		519,904	519,904	
Capital Disbursements financed out of Ordinary Revenue..	66,000,000	90,000,000	24,000,000	
	<u>\$1,040,871,000</u>	<u>\$1,039,125,098</u>	<u>\$24,598,286</u>	<u>\$ 26,344,188</u>
Capital—				
Voted—				
Main Estimates.....	\$ 290,928,000	\$ 244,509,466		\$ 46,418,534
Statutory.....	23,600,000	34,451,253	\$10,851,253	
	<u>\$ 314,528,000</u>	<u>\$ 278,960,719</u>	<u>\$10,851,253</u>	<u>\$ 46,418,534</u>
Deduct—				
Capital Disbursements financed out of Ordinary Revenue.....	66,000,000	90,000,000	24,000,000	
	<u>\$ 248,528,000</u>	<u>\$ 188,960,719</u>	<u>\$13,148,747</u>	<u>\$ 46,418,534</u>
	<u><u>\$1,289,399,000</u></u>	<u><u>\$1,228,085,817</u></u>	<u><u>\$11,449,539</u></u>	<u><u>\$72,762,722</u></u>

**Summary of Net Increases or Decreases in Gross Actual as compared
with Total Estimates of Gross Expenditure**

CLASSIFICATION	INCREASE	DECREASE
Voted.....		\$72,762,722
Statutory.....	\$10,929,635	
Special Warrants.....	519,904	
	<u>\$11,449,539</u>	<u>\$72,762,722</u>

The net increases or decreases in gross actual as compared with total estimates of gross expenditure under the classification of voted, statutory and special warrants are commented on as follows:

VOTED

For the year under review the Legislative Assembly authorized expenditure appropriations in the amount of \$1,113,277,000 comprising \$822,349,000 ordinary account and \$290,928,000 capital account. Actual gross expenditure charged to appropriations amounted to \$1,040,514,278, comprised of \$796,004,812 charged to ordinary account and \$244,509,466 charged to capital account. Thus the gross expenditure charged to appropriations authorized was \$72,762,722 less than the amount authorized. The principal under-expenditures in this amount relate to advances to the Ontario Water Resources Commission for construction and installation of plant and equipment \$12,589,672, construction of public buildings \$11,467,040, general legislative grants to school boards \$10,138,245, construction and maintenance of King's Highways and Secondary Highways and Development Roads \$9,310,466, grants for new and acquired buildings under The Charitable Institutions Act, The Homes for the Aged Act, etc., \$4,159,249, and expenditure under The Housing Development Act \$3,756,599.

In all cases where the actual expenditure exceeded the original appropriation, the necessary authority was obtained by treasury board orders amounting to \$12,439,177, which was all for ordinary account with actual expenditures relative thereto amounting to \$10,696,506. These expenditures form part of the total gross expenditure of \$1,040,514,278 referred to above and are not in addition thereto.

Full details of treasury board orders issued and the amounts expended under this authority will be found on pages 56-64 of this report.

It will be noted, from the amounts shown in the Analysis of Gross Expenditure, that total Gross Actual Voted Expenditure, which includes amounts spent under authority of treasury board orders, is less than the total of the related gross estimates. The same situation exists with respect to Net Expenditure, and the details for the last ten years are shown in graphic form on pages 42-43 of this report.

STATUTORY

The Estimates for the year 1962-63 forecast \$176,122,000 gross expenditure under statutory authority. Of this amount \$152,522,000 was for ordinary account and \$23,600,000 for capital account. Actual gross statutory expenditure amounted to \$187,051,635 consisting of \$152,600,382 ordinary expenditure and \$34,451,253 capital expenditure, excluding public debt expenditure. The actual total gross statutory outlay exceeded the estimates by \$10,929,635. The principal item of actual expenditure in excess of the amounts estimated was a repayment of \$5,498,812 under the Canada-Ontario Tax Rental Agreement 1952-56.

SPECIAL WARRANTS

During the year, expenditures in the amount of \$519,904 were made under Special Warrants by authority of subsection 1, section 29 of The Financial Administration Act.

Full details of the expenditures made under Special Warrants will be found on pages 65-66 of this report.

**PRINCIPAL ITEMS OF NET ORDINARY REVENUE AND EXPENDITURE
FOR THE FISCAL YEAR ENDED MARCH 31, 1963**

An analysis of net ordinary revenue and expenditure for the fiscal year ended March 31, 1963, showing the percentage of each item to the total, classified by major categories, is presented in the following statement:

NET ORDINARY REVENUE

		C/ %
Corporations Tax.....	\$185,717,994	18.69
Retail Sales Tax.....	175,714,557	17.68
Gasoline Tax.....	173,135,315	17.42
Income Tax Collection Agreement.....	151,844,240	15.29
Liquor Profits, Gallonage Tax, etc.....	87,500,000	8.81
Motor Vehicle Licenses and Fees, etc.....	69,543,589	7.00
Succession Duty.....	44,148,863	4.44
Mines Profits Tax.....	15,222,195	1.53
Timber Dues, Bonus, etc.....	12,615,908	1.27
Inspector of Legal Offices—Fees, Fines, etc.....	8,221,044	.83
Motor Vehicle Fuel Tax.....	8,204,235	.82
Race Tracks Tax.....	6,937,295	.70
Fish and Wildlife Licenses, Royalties, etc.....	5,324,796	.54
Water Power Rentals.....	5,267,942	.53
Government of Canada—Annual Subsidies.....	4,624,070	.46
Hospitals Tax.....	4,224,715	.43
Land Transfer Tax.....	3,844,280	.39
All other revenue.....	31,520,863	3.17
	<u>\$993,611,901</u>	<u>100.00</u>

NET ORDINARY EXPENDITURE

		C/ %
Education.....	\$348,367,974	35.08
Health Services.....	144,362,638	14.53
Public Debt—		
Interest, etc.....	\$57,406,874	
Provision for Sinking Fund.....	39,000,000	
	<u>96,406,874</u>	<u>9.71</u>
Highways and Roads.....	78,784,248	7.93
Public Welfare.....	56,675,600	5.71
Municipal Affairs—Grants to Municipalities.....	36,329,592	3.66
Conservation of Forests, Fish and Wildlife.....	25,579,140	2.58
Law Enforcement.....	25,053,949	2.52
Agricultural Services, Grants, etc.....	17,138,234	1.73
Reform Institutions.....	14,568,611	1.47
Public Buildings, Maintenance and Repairs, etc.....	11,848,367	1.19
All other expenditures.....	47,978,027	4.83
	<u>\$903,033,254</u>	<u>90.94</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	90,000,000	9.06
	<u>\$993,033,254</u>	<u>100.00</u>

On pages 38-41 of this report will be found a graphic presentation of several of the major items on the previous page giving comparisons for the five years ended March 31, 1963.

GENERAL

As may be seen in the analysis on the previous page, the major net ordinary revenue sources of the Province fall under seven headings. These are, in order of size, corporations tax, retail sales tax, gasoline tax, the income tax collection agreement with the federal government, liquor control revenues, motor vehicle licenses and fees and succession duty. Education, which now accounts for 35% of net ordinary expenditure, health services, public debt charges including provision for sinking fund, highway expenditures and welfare costs, are the major items of net ordinary expenditure, excluding capital disbursements financed out of ordinary revenue. The importance of the various functions of the Provincial Government is not necessarily measured by revenue and expenditure data. The remaining revenue and expenditure operations serve vital functions in the overall programme of the Province, and the various totals, while smaller in amount, represent important services given or received.

I refer hereunder to some of the larger items of revenue and expenditure and other matters relating to the operations for the fiscal year ended March 31, 1963.

The Income Tax Collection agreement authorized by section 46 of The Income Tax Act, 1961-62 was signed on April 24, 1962. The term of the agreement is the five year period commencing January 1, 1962 and ending December 31, 1966. During the fiscal year ended March 31, 1963, the Province received \$151,844,240 under the terms of the agreement. This amount is based on a calculation of 16% of the tax payable under the Federal Income Tax Act for the taxation year ended December 31, 1962. The amounts received in subsequent years will increase by one percentage point each year until the rate becomes 20% in respect of the 1966 taxation year.

In the fiscal year a repayment of \$5,498,812 was made to the Government of Canada under the Canada-Ontario Tax Rental Agreement 1952-56. The calculation of the tax rental received by the Province under the terms of the Act and the related agreement during the five fiscal years between April 1, 1952 and March 31, 1957 required the deduction of estimated succession duty credits allowed by the Federal Department of National Revenue with respect to the estates of persons who died during that period. Since the termination of the agreement, an annual determination of actual succession duty credits relating to the period covered by the agreement has been made by the Federal Government, the most recent being for the period from April 1, 1961 to March 31, 1962. The actual credits allowed have turned out to be greater than the estimated credits and a refund has been made under the terms of the agreement between the two governments. As this payment adjusts accounts of prior years, it has been charged to Surplus Account as will all subsequent payments of this nature.

During the year gross capital disbursements on King's Highways, Development Roads and Municipal Roads Subsidies, etc., amounted to \$172,368,498.

This amount is an increase of \$2,795,700 over 1962. In addition the Department of Mines spent \$896,453 on Mining and Access Roads, while the Department of Lands and Forests spent \$94,298 on Logging Roads.

Capital disbursements were made to The Hydro-Electric Power Commission of Ontario in the amount of \$921,284 to assist in rural power distribution. This is an increase of \$377,300 over the 1961-62 payment.

The investment of the Province in Land and Buildings has been increased during the year by gross capital disbursements of \$25,532,960. General Works and Improvements were increased by gross capital disbursements of \$3,695,280.

A provision for Sinking Fund in the amount of \$39,000,000 was made through ordinary account.

Contributions by the Province to the Teachers' Superannuation Fund and the Public Service Superannuation Fund amounted to \$18,073,592 and \$9,653,150 respectively, in accordance with the governing statutes. In addition, a payment of \$1,000,000 has been made to each Fund as a special contribution from the Province to reduce the amount by which the estimated actuarial liabilities exceed the assets of the respective Funds. These special contributions, which the Province has made over a period of years, have served to fund a part of the actuarial deficit.

An actuarial valuation of the Teachers' Superannuation Fund has been completed as of December 31, 1961 and was reported upon by the actuary, Professor N. E. Sheppard, M.A., in September, 1963. As at December 31, 1961, the actuarial deficit of the Fund was calculated to amount to \$292,763,000. The preceding valuation, made three years previously as at December 31, 1958, showed a corresponding deficit of \$203,886,000. Thus, the deficiency at the end of the three-year period had increased by some \$89 million. The actuary states that the general increase in salaries is the main cause of the larger deficit and accounts for some \$60 million. Another \$25 million is said to result from no interest having been paid into the Fund on the 1958 disclosed deficit, less the special Provincial grants of \$1 million each year. The remaining \$4 million is due to several miscellaneous causes. The Actuary states that the present 6% contribution rate, together with the Province's matching 6% contribution, will cover the cost of the currently promised benefits to new teachers but only if no further salary increases are made. The Boards of Education throughout the Province have independent control of salary scales (which means control of pension levels), and the age and service conditions for the compulsory retiring of teachers. In the computation of a teacher's pension, his pensionable service is applied to the final ten years' average salary on which contributions have been paid.

The above comments are based upon the actuary's report of September, 1963. It is apparent that a rapid deterioration is taking place in the Fund when the actuarial deficit has increased by 43.6% in three years. Immediate steps should be taken to check the increasingly unfavourable developments in the Fund and place it upon a sound actuarial footing.

As mentioned in the Auditor's report of November 22, 1962 the actuarial valuation of the Public Service Superannuation Fund as at March 31, 1962 is in progress but a report will not be available in the immediate future. The most recent report showed that as at March 31, 1952 this fund had an actuarial deficit of \$46,220,000. When the present actuarial study has been completed, arrangements should be made for the funding of the anticipated deficit over a reasonable period of time.

When consideration is given to the existing actuarial deficit in the Public Service Superannuation Fund, it should be borne in mind that the deficit is in part related to the participation in the Fund of certain jurisdictions employing persons such as sheriffs, magistrates, full-time judges and deputy judges of juvenile and family courts, jailers and their employees. In such cases it would appear equitable to expect these jurisdictions to fund their share of any deficit which may be determined by the actuary. Any other procedure would result in the Province being called upon to bear a disproportionate share of the amount which may be required to place the Fund on a sound actuarial footing.

It should be recognized that the real financial obligation under a retirement plan arises not at the time benefits become payable, but accrues continually over the period of the employee's service. Pension plans should be maintained on sound principles of financing and a pension fund should receive adequate amounts during the service lifetime of the contributors to enable all the statutory benefits to be paid without producing a deficit.

AUDIT OF REVENUE

The revenues of the Province are subjected to a continuous audit process. The revenue records and related data of the various Departments undergo a thorough audit and continue to be examined in a systematic manner in accordance with the practice of previous years, applying all procedures considered necessary to conform with generally accepted auditing standards applicable in the particular circumstances encountered.

The development and implementation of efficient systems of internal control and methods of accounting are essential factors in the establishment and maintenance of trustworthy and up-to-date records. In view of the importance of systems and methods procedures it is standard practice to review the methods followed in the various Departments to determine their effectiveness.

Ministers of the Departments concerned and officials of Boards and Commissions receive comprehensive reports of the various examinations. The information produced by these examinations is most useful in determining the efficiency and reliability of the accounting process and permits me to be of the opinion that a full accounting is being made of the various revenues of the Province.

The total revenues of the Province are in part composed of certain non-tax categories such as receipts from privileges, licenses, fees, permits, perquisites, etc. In many cases it is difficult or impracticable to determine the exact cost of providing these non-tax services. Nevertheless constant attention should be devoted to maintaining a reasonable relationship between revenues of this nature and the related expense incurred by the Province. The cost of govern-

ment operations, as with other costs, has continued to rise but not all non-tax revenues have registered a corresponding increase. It is recommended that all fees and charges, which are fixed either by statute or regulation be periodically reviewed by the Treasury Department so that the estimated cost of services rendered may be matched against the revenues received therefrom during a given period.

AUDIT OF EXPENDITURE

In accordance with the requirements of The Audit Act, a continuous audit of the expenditures of the Province was maintained throughout the fiscal year ended March 31, 1963.

Under authority granted to the Provincial Auditor in section 9 of The Audit Act, certain vouchers were admitted as satisfactory after audit tests were made as required by the character of the Departmental examination.

I again wish to stress the need for all Departments to resist strongly the continuing rise in expenditures and pressures for even greater outlays. It is urgently required that Departmental spending should be held within strict limits consistent with good government in order to achieve a surplus for debt retirement.

The Audit Office continues its vigilance to ensure effective control by the Legislature over public funds, to see that the money is spent as directed, that it is spent economically and that a high standard of public morality is maintained in all financial transactions.

The independent examination made by the Auditor of the accounts of the various Departments and Boards and Commissions, together with the audit reports directed to the administrative officials concerned, serve an important function in addition to the immediate value of the service provided by each audit and report. The existence of the Auditor, who has no control or responsibility for the administration of the Departments and Boards and Commissions, but who has power to examine and report on the accounts and related procedures, has a continuous constructive and beneficial effect on the conduct of Departmental business and provides an incentive for greater efficiency and economy of operation.

The financial situation of the Ontario Northland Transportation Commission as shown in the annual report of the Commission for the year ended December 31, 1962 has improved over that of the previous year, as shown by net income of \$349,848 in 1962 as compared with \$12,000 in 1961. As in recent years, the highly profitable operations of the commercial communication system of the railroad have offset losses on other railroad operations. There is no current indication that the combined operating results for 1963 will show any improvement over 1962. The operations of Star Transfer Limited were profitable in 1962 and are expected to produce a profit in 1963. Star Transfer Limited continues to require all available funds for working capital and therefore has not declared any dividend. No funds from this source have been received as yet by the Commission.

BALANCE SHEET

The balance sheet of the Province does not include as an asset the value of Crown timber, mineral wealth and surface value of Crown lands, water power, fish, game and fur.

The balance sheet does not include the accounts of a number of Boards and Commissions and other Crown Instrumentalities created by legislative enactment. These bodies are mostly on a self-supporting basis.

A condensed balance sheet follows, showing the assets and liabilities of the Province of Ontario as at March 31, 1963.

PROVINCE OF ONTARIO
CONDENSED BALANCE SHEET
AS AT MARCH 31, 1963

ASSETS

Temporary Investments.....	\$ 119,629,283
Loans and Advances.....	575,641,155
Government of Canada:	
Debt Account and Common School Fund.....	4,300,954
Highways, Buildings, etc.....	2,309,112,577
The Liquor Control Board of Ontario—Investments.....	24,767,012
Other Loans and Advances.....	369,052
Discount and Exchange on Debentures (less amount amortized).....	13,244,649
Accounts Receivable (less Reserve).....	14,147,495
Accrued Interest on Advances secured by Bonds.....	2,928,631
Interest Receivable (less Reserve).....	344,000
Equipment, Stores and Materials (less Reserve).....	11,652,778
	<u>\$3,076,137,586</u>

LIABILITIES

Funded Debt (less sinking fund—\$183,788,647).....	\$1,630,021,353
Unfunded Debt.....	349,353,207
Accounts Payable.....	1,775,988
Accrued Interest on Funded Debt.....	22,773,875
	<u>\$2,003,924,423</u>
Reserves.....	8,028,706
Surplus.....	1,064,184,457
	<u>\$3,076,137,586</u>

Contingent Liabilities:

Bonds, etc., Guaranteed by the Province.....	<u>\$1,619,969,128</u>
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I report hereunder on certain of the Assets and Liabilities as shown on the balance sheet of the Province as at March 31, 1963, which appears in the Public Accounts for 1962-63 on pages 6-7.

ASSETS

TEMPORARY INVESTMENTS—\$119,629,283

	<i>Par Value</i>	
Government of Canada:		
Direct and Guaranteed Securities, etc.....	\$69,890,500	
Treasury Bills.....	45,856,000	
Provinces of Canada:		
Direct and Guaranteed Securities.....	4,551,000	
Treasury Bills.....	50,000	
	<u>\$120,347,500</u>	
Subject to repurchase agreements at.....		\$118,532,000
Province of Prince Edward Island Treasury Notes.....		<u>1,097,283</u>
		<u>\$119,629,283</u>

These investments have been made in order to make the most profitable use of funds temporarily in excess of current requirements and were made under authority of section 20 of The Financial Administration Act. When the Province makes purchases of short-term securities, the vendors contract to pay interest at an agreed rate and to buy back the securities at a fixed date at the price paid by the Province. Prior to the fixed date agreed to, the securities may be exchanged for others acceptable to the Province. The securities held by the Province for temporary investment at March 31, 1963 were verified by physical examination and count at the Securities Branch of the Treasury Department.

LOANS AND ADVANCES—\$575,641,155

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO— ADVANCES—SECURED BY BONDS—\$339,302,000

In accordance with the provisions of The Power Commission Act, debentures of the Province of Ontario were issued during the years 1951 to 1959 in the amount of \$375,000,000 and the proceeds were advanced to The Hydro-Electric Power Commission of Ontario for the purposes of the Commission. Cumulative repayments to March 31, 1963 amounted to \$35,698,000 leaving a balance as at March 31, 1963 of \$339,302,000. As security for the advances, the Commission delivered to the Province of Ontario, bonds of The Hydro-Electric Power Commission for the same principal amount and the same interest rate and terms as the related Province of Ontario debentures.

Bonds of the Commission in the amount of \$339,302,000 held in safekeeping in the Securities Branch of the Treasury Department at March 31, 1963 were verified by actual count.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—
ADVANCES—UNSECURED—\$11,996,178

During the period from 1909 to 1934 funds borrowed by the Commission under The Power Commission Act were in some cases obtained as a part of the proceeds of certain Provincial debenture issues. As the related issues mature, the Commission repays the amount previously advanced. During the year ended March 31, 1963 the Commission repaid \$1,466,209 to the Province of Ontario on account of these unsecured advances.

The Commission also pays the required interest and service charges related to its share of the Provincial debenture issues concerned. The balance of unsecured advances unpaid was \$11,996,178 as at March 31, 1963.

The following schedule shows the details of future repayments from the Commission:

YEAR ENDED	AMOUNT
March 31, 1964.....	\$ 1,528,712
1965.....	1,592,934
1966.....	1,659,670
1967.....	1,729,504
1968.....	1,414,789
1969.....	1,474,479
1970.....	1,072,860
1971.....	1,119,358
1972.....	403,872
	<u>\$11,996,178</u>

ONTARIO NORTHLAND TRANSPORTATION COMMISSION—\$30,207,935

This amount relates to advances made to the Commission to provide funds for construction and equipment. There has been no change in this account since 1937. By order-in-council dated April 22, 1936, the loan was made non-interest bearing.

HOUSING CORPORATION LIMITED—INVESTMENTS—\$2,137,388

The assets of Housing Corporation Limited have decreased by a net amount of \$486,484 during the year. This is accounted for by repayment of mortgage loans principal of \$508,834 and an increase in cash in bank of \$25,474. In the same period a reduction of \$400,000 was made in the bank loan and a reduction of \$67,816 in the bank overdraft. The Reserve for Mortgage Loans, principal and interest was reduced by \$17,759 to a total of \$780,288 due to a loss on operations resulting from interest earned on mortgage loans at $3\frac{1}{2}\%$ being insufficient to meet bank interest on borrowed funds and bank collection charges on the mortgage repayments, as shown in the Public Accounts for 1962-63 on page 62.

The general administrative expenses of Housing Corporation Limited have been paid by the Province of Ontario in the amount of \$26,634. However, an operating deficit has occurred in recent years due to the increased rate of interest which the corporation has to pay on borrowed funds. These deficits were as follows:

Year ended March 31, 1958.....	\$24,030
" " " 1959.....	3,087
" " " 1960.....	35,019
" " " 1961.....	41,238
" " " 1962.....	25,863
" " " 1963.....	17,759

Housing Corporation Limited was incorporated in May, 1948, under a Provincial Charter with a nominal share capital, all of which is owned by the Province of Ontario.

The purpose of the Corporation was to facilitate the financing of new, low-cost houses in Ontario by providing money by way of second mortgages. The Corporation discontinued the receiving of applications for the advancing of such loans as of December, 1949 due to the Government of Canada expanding its facilities in this field in the latter part of 1949.

The Corporation made loans on 14,695 applications. As at March 31, 1963 there were 4,718 loans in the course of repayment for a total of \$2,095,208. This is a reduction of 427 loans in the past fiscal year. No confirmation of mortgages was obtained from the mortgagors concerned.

Housing Corporation Limited has financed its operations by bank loans secured by promissory notes guaranteed by the Province of Ontario pursuant to The Housing Development Act. As of March 31, 1963 the Corporation had an outstanding demand loan of \$1,350,000 guaranteed by the Province of Ontario.

The assets and liabilities of Housing Corporation Limited have been included in the balance sheet of the Province. The balance sheet of Housing Corporation Limited is shown separately in the Public Accounts for 1962-63 on page 62.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN CORPORATION— INVESTMENTS—\$19,725,563

As at March 31, 1963 the Corporation had 2,972 loans receivable in the amount of \$18,196,973 secured by first mortgages. Mortgage interest rates are 4% for loans repayable within 20 years and 4½% for a small number of loans repayable within 20 to 25 years. The accrued interest relating to these first mortgages amounted to \$433,736 as at March 31, 1963. The assets have decreased during the year by \$2,111,375. This is due largely to a decrease of \$1,814,650 in Mortgage Loans Principal, a decrease of \$267,525 in Discount on Debentures and a decrease of \$37,328 in Mortgage Interest due and accrued.

The deficit account of The Ontario Junior Farmer Establishment Loan Corporation has increased by \$243,833 during the year and now amounts to \$803,548. During the year the capital advance from the Treasurer of Ontario was reduced by \$1,850,000.

The Ontario Junior Farmer Establishment Loan Corporation was incorporated in April, 1952, without share capital by The Junior Farmer Establishment Act.

Major changes have been made under The Junior Farmer Establishment Amendment Act, 1962-63, such as the introduction of loans for family farms and incorporated farms where a junior farmer is a participant, guarantees of bank loans, extension of repayment periods and increase of interest rate to 5% on first mortgage loans. Borrowers may take advantage of the Corporation's Group Life Insurance Contract to cover the amount owing to the Corporation. These changes come into effect in the fiscal year ending March 31, 1964.

The general administration expenses of the Corporation have been paid by the Province of Ontario in the amount of \$86,141 and the Corporation has applied its interest revenue toward the payment of debenture interest, amortization of discount on debentures and interest on the capital advance from the Treasurer of Ontario. In the early years of operation the interest revenues were more than sufficient to meet the cost of borrowed money but in recent years a deficit on operations has occurred due to the rise in the cost of borrowed money. The deficits were as follows:

Year ended March 31, 1958.....	\$ 79,699
" " " 1959.....	72,083
" " " 1960.....	193,648
" " " 1961.....	274,437
" " " 1962.....	255,808
" " " 1963.....	243,833

The assets and liabilities of The Ontario Junior Farmer Establishment Loan Corporation have been included in the balance sheet of the Province. The balance sheet of The Ontario Junior Farmer Establishment Loan Corporation is shown separately in the Public Accounts for 1962-63 on page 63.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

INVESTMENTS—\$55,914,131

The Ontario Municipal Improvement Corporation is a corporation created by the Province for the purpose of purchasing from municipalities in Ontario the debentures issued by them for any of the following municipal works and undertakings: waterworks and water supply distribution systems, sewage works, garbage incinerators, drainage works and school board undertakings.

As at March 31, 1963 the Corporation held debentures of Ontario Municipalities and School Boards having a book value of \$52,762,707 and bearing interest at various rates from 3½% to 7%. This amount, together with accrued interest receivable of \$1,162,942, net discount on debentures of \$369,104 and cash in bank of \$1,619,378 make up the Province's investment of \$55,914,131.

The assets of the Corporation have decreased by \$1,069,459 during the year. This is due mainly to a decrease of \$1,669,138 in investment securities, a decrease of \$140,660 in discount on debentures issued, less an increase of \$759,985 in cash in bank. During the year matured debentures of the Corporation were paid in the amount of \$2,500,000 financed from capital advances of \$749,000 from the Treasurer of Ontario, excess of revenue over expenditure of \$733,396, and the proceeds of matured investments.

Subject to the approval of the Lieutenant Governor in Council and to the borrowing limitations referred to on the following page, the Corporation may borrow such sums of money as it deems necessary for its purposes by the issue

and sale of debentures, bills or notes and by temporary loans, any of which may be guaranteed by the Province of Ontario. The Lieutenant Governor in Council may authorize the Treasurer of Ontario to purchase any debentures, bills or notes of the Corporation and to make advances to the Corporation in such amounts as the Lieutenant Governor in Council may deem expedient. The Corporation, however, may not borrow any money, except to repay securities issued by the Corporation or to repay advances from the Treasurer of Ontario, if, after giving effect to such borrowing, the aggregate principal amount of the outstanding debt of the Corporation would exceed \$150,000,000.

The general administrative costs of the Corporation have been paid by the Province of Ontario and the Corporation has applied its interest revenue toward the payment of interest on borrowed funds, etc., resulting in an excess of revenue over expenditure of \$733,396 as shown by the financial statements in the Public Accounts for 1962-63 on page 66.

The assets and liabilities of The Ontario Municipal Improvement Corporation are shown separately in the Public Accounts for 1962-63 on page 65.

A schedule of debentures of Ontario Municipalities and School Boards held by the Corporation at March 31, 1963 is presented on pages 45-52 of this report. These debentures are held in safekeeping by the Securities Branch of the Treasury Department and were verified by actual count at March 31, 1963.

THE HOUSING DEVELOPMENT ACT—ADVANCES—\$14,777,835

During the year capital advances of \$1,843,401 were made under authority of the above Act in connection with certain joint housing projects which are controlled by the Government of Canada and the Province of Ontario acting in partnership to provide needed housing accommodation in Ontario.

In the same fiscal year the amount of \$1,734,543 was received and has been applied as a reduction of the advances pending any subsequent adjustments which may become necessary upon the completion of the individual projects.

ONTARIO WATER RESOURCES COMMISSION—ADVANCES—\$61,364,300

This Commission was established by The Ontario Water Resources Commission Act, 1956, to assist municipalities in dealing with their financial and physical problems in relation to water resources, sewage and pollution. Projects undertaken must be self-liquidating, producing over a reasonable time a revenue that will cover operating costs, interest charges and debt retirement.

During the fiscal year ended March 31, 1963, there was a net increase of \$12,410,328 in this account including net interest charges of \$439,948 calculated to December 31, 1962.

PROVINCIAL STUDENT-AID LOANS—\$6,002,177

The Provincial Student-Aid Loan Fund was established in 1958 by an amendment to The Department of Education Act. It has been established to provide financial aid to talented students who wish to continue their education beyond the secondary school level and require assistance. The loans are repayable with interest at 4 per cent per annum calculated from the 1st day of April in the year following the applicant's graduation or withdrawal. During the fiscal year ended March 31, 1963 there were 5,783 loans made for a total of \$2,331,688. Repayments in the same period amounted to \$525,994 and \$6,755 was written off as uncollectable, leaving 10,215 active loans. A test confirmation was made of the loans outstanding as at March 31, 1963.

MUNICIPALITIES, ETC.—\$34,153,078

The Co-operative Loans Act—Loans.....		\$ 3,003,259
Tile Drainage Debentures.....		5,594,048
Municipal Debentures—		
City of Windsor.....		988,340
Improvement District of Elliot Lake.....		3,208,400
Improvement District of Manitouwadge.....		797,100
Town of Atikokan.....		43,900
Municipality of Metropolitan Toronto.....		10,000,000
Sandwich, Windsor and Amherstburg Railway Company—Bonds		
2% Due June 30, 1963-77.....	\$ 750,000	
3% Due April 1, 1980.....	2,100,000	
		2,850,000
The Sault Ste. Marie Bridge Act, 1960—		
The International Transit Company Limited....	\$ 42,000	
International Bridge Authority of Michigan....	7,615,072	
St. Mary's River Bridge Company.....	1,370	
		7,658,442
Miscellaneous.....		9,589
		<u>\$34,153,078</u>

Loans made under The Co-operative Loans Act showed a net increase of \$169,895 during the year under review. The total of the Tile Drainage Debentures outstanding increased by a net amount of \$648,827. The Tile Drainage Debentures are held in safekeeping by the Canadian Imperial Bank of Commerce and were confirmed by a test examination carried out at the premises of the Bank. The various municipal debentures and bonds were held in safekeeping at March 31, 1963 by the Securities Branch of the Treasury Department and were confirmed by actual count together with the securities acquired under The Sault Ste. Marie Bridge Act, 1960, relating to The International Transit Company Limited, the International Bridge Authority of Michigan and the St. Mary's River Bridge Company.

To date the Province has received \$1,635,000 from the surplus funds of The International Transit Company Limited, including \$240,000 received as a dividend of \$80 per share in March, 1963. The total of \$1,635,000 received from the Company has been treated as a partial realization of the investment already made and when deducted from the purchase price of \$1,677,000 leaves the amount of \$42,000 as the investment of the Province as at March 31, 1963.

THE AGRICULTURAL DEVELOPMENT FINANCE ACT—

INVESTMENTS—\$60,570

The Farm Loans Act—Farm Loans Associations.....	\$36,352
—Capital Stock in Associations.....	2,145
Municipal Debentures—Village of West Lorne.....	22,073
	<u>\$60,570</u>

During the year \$6,153 was received from the Village of West Lorne in accordance with the terms of a repayment plan approved by the Treasury Department.

GOVERNMENT OF CANADA—\$4,300,954

DEBT ACCOUNT—\$2,848,290

Details of this account have been supplied in the Auditor's report for 1961-62. No changes have occurred during the year and 5% interest has been received during the year from the Government of Canada.

COMMON SCHOOL FUND—\$1,452,664

This amount represents Ontario's present interest in a permanent fund of \$2,677,771 held in trust by the Government of Canada for the Provinces of Ontario and Quebec jointly. The total held by Canada has remained unchanged since March 31, 1942, and is derived from the sale of Crown lands set aside for the benefit of common schools by statutes enacted before Confederation. The Government of Canada pays interest to the Provinces on the principal sum at the rate of 5% per annum, payable semi-annually, in proportion to their respective populations as determined by the most recent decennial census. The present basis of allocation is the 1961 census. The equity of the Province of Ontario in the Fund was found to have increased due to a larger net gain in population than the Province of Quebec. The increased equity is \$29,939 and has been added to this account by an adjustment through Surplus Account.

HIGHWAYS, BUILDINGS, ETC.—\$2,309,112,577

Highways and Roads—Capital Disbursements.....	\$1,945,737,203	
Less—Capital Disbursements to October 31, 1933, written off.....	188,111,502	\$1,757,625,701
Rural Power Transmission Lines Bonus 1927-63.....	\$ 115,062,227	
Less—Capital Disbursements to October 31, 1933, written off.....	7,016,243	108,045,984
Land, Buildings, Public Works, etc.....		427,415,948
The Niagara Parks Commission—Surplus of Assets (October 31, 1962)...		7,351,500
The Ontario-St. Lawrence Development Commission—Surplus of Assets		8,673,444
		<u>\$2,309,112,577</u>

During the year the investment in Highways and Roads was increased by a net amount of \$171,865,186. This comprises capital disbursements of \$172,368,498 on highways together with \$896,453 spent on mining roads less capital receipts of \$1,399,765 applied to highways. The accumulated capital disbursements to date on highways and roads amount to \$1,757,625,701.

Highways which were constructed more than thirty years ago have, for the most part, lost their usefulness and have become obsolete or have been incorporated in new construction to such an extent that their original value is considered to have largely disappeared. Commencing with the fiscal year ended March 31, 1952, it was decided to remove from the accounts of the Province the portion of the investment in Highways more than thirty years old. As a result the highway capital disbursements made prior to October 31, 1932 in the amount of \$181,663,254 have been written off in prior years and charged to Surplus, and in the current year a further amount of \$6,448,248, being highway capital disbursements for the fiscal year ended October 31, 1933, has been written off to Surplus. These two amounts totalling \$188,111,502 when deducted from the total disbursements leave a net book value at March 31, 1963 of \$1,757,625,701.

Rural Power Transmission Lines which have been in use for more than thirty years have, in most cases, been substantially reconstructed or replaced. Commencing with the fiscal year ended March 31, 1957 it was decided to remove from the accounts of the Province the portion of the investment in Rural Power Transmission Lines representing capital disbursements made more than thirty years previously. Accordingly the investment made prior to October 31, 1932 in the amount of \$6,739,243 has been written off in prior years and charged to Surplus, and in the current year a further amount of \$277,000 being Rural Power Transmission Bonus for the fiscal year ended October 31, 1933 has been written off to Surplus. These two amounts totalling \$7,016,243 when deducted from the total disbursements leave a net book value at March 31, 1963 of \$108,045,984.

Net increases to the value of Land, Buildings, Public Works, etc., were made during the year in the amount of \$28,384,439. This is made up of a net increase of \$24,825,734 in Land and Buildings, an investment of \$556,781 in Provincial Parks and a net increase of \$3,001,924 in General Works and Improvements. No depreciation has been accrued on Land, Buildings, Public Works, etc.

The Surplus Account of The Niagara Parks Commission, as at the close of its fiscal year October 31, 1962 showed a balance of \$7,351,500 which is included in the accounts of the Province by reason of the authority given by subsection 2, of section 14 of The Niagara Parks Act. This amount has been brought on the balance sheet by an adjustment through Surplus Account.

The assets of The Ontario-St. Lawrence Development Commission amount to \$8,673,444 as at March 31, 1963 as per the balance sheet of the Commission. This figure includes an amount of \$636,540 representing expenditures for fixed assets made through ordinary account of the Province during the fiscal year ended March 31, 1963. This latter amount has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

THE LIQUOR CONTROL BOARD OF ONTARIO—

INVESTMENT—\$24,767,012

This asset is recorded at the amount of the Surplus of The Liquor Control Board of Ontario as at March 31, 1963. It is invested as shown on page 53 of the Public Accounts for 1962-63. This asset has been brought on the balance sheet by an adjustment through Surplus Account.

OTHER LOANS AND ADVANCES—\$369,052

The Co-operative Loans Act—Loans.....	\$ 33,967
Home Bank (in Liquidation)—Balance.....	213,000
The Ontario Telephone Development Corporation—Advances.....	67,525
Settlers' Loans.....	54,560
	<u>\$369,052</u>

The items in this group continue to be in arrears or in default. During the year recoveries were made in the amount of \$148,219 of which \$3,600 related to loans made under The Co-operative Loans Act, \$143,758 was for Guaranteed Housing Debentures and interest coupons and \$861 was for settlers' loans. An amount of \$17,000 relating to Co-operative Loans was written off as uncollectable during the year under authority of Order in Council as was an amount of \$90,070 for guaranteed school debentures and interest coupons.

These assets are carried at book value as the amounts which may be ultimately realized cannot be determined at this time.

DISCOUNT AND EXCHANGE ON DEBENTURES

(less amount amortized)—\$13,244,649

Discounts and Exchange on Provincial debenture issues are amortized in each case over the term of the related issue. The unamortized balances making up the above total are shown in detail in the Public Accounts of Ontario for 1962-63 on page 54.

ACCOUNTS RECEIVABLE (less Reserve)—\$14,147,495

This amount is the net total of the accounts receivable of all Departments of the Province of Ontario after the deduction of reserves for doubtful accounts.

The details of the accounts receivable were submitted by Departmental accountants. The reserves provided are considered adequate. This asset has been brought on the balance sheet by an adjustment through Surplus Account.

ACCRUED INTEREST ON ADVANCES SECURED BY BONDS—

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—\$2,928,631

The above amount represents interest accrued but not yet due at March 31, 1963. This asset has been brought on the balance sheet by an adjustment through Surplus Account. The principal amount of the advance is \$339,302,000 and is referred to earlier in this report.

INTEREST RECEIVABLE (less Reserve)—THE AGRICULTURAL DEVELOPMENT
FINANCE ACT—\$344,000

There is owing to the Treasurer of Ontario \$1,544,000 for interest due on the former debentures of the Agricultural Development Board. A reserve of \$1,200,000 is provided against the \$1,544,000 since a deficit of \$1,076,232 appears in the books of the borrower and certain loans are outstanding which may prove to be uncollectable. During the year interest due was reduced by \$169,000 as compared with \$233,000 in the previous year. This account has been brought on the balance sheet by an adjustment through Surplus Account.

EQUIPMENT, STORES AND MATERIALS (less Reserve)—\$11,652,778

Inventories of equipment, stores and materials, as compiled by the various Departments, are shown in total above after the deduction of reserves which are deemed adequate to reduce the gross inventory totals to a conservative valuation. Inventories are valued as in previous years on a basis not exceeding cost. This account has been brought on the balance sheet by an adjustment through Surplus Account.

LIABILITIES

FUNDED DEBT—\$1,630,021,353

Stock and Debentures.....	\$1,813,810,000
Less—Sinking Fund.....	183,788,647
	<u>\$1,630,021,353</u>

The details of Stock and Debentures outstanding at March 31, 1963 are shown in the Public Accounts for 1962-63 on page 57.

The Sinking Fund amounts to \$183,788,647 of which \$29,881,147 is on deposit with the Treasurer of Ontario in the Consolidated Revenue Fund. The securities held are shown on page 56 of the Public Accounts for 1962-63 and consist of issues of the Province of Ontario, The Hydro-Electric Power Commission of Ontario, the Ontario Northland Transportation Commission, the University of Toronto and the Government of Canada. These securities were verified by actual count as at March 31, 1963 in the Securities Branch of the Treasury Department. The funds on deposit have been verified from the records of the Treasurer of Ontario.

UNFUNDED DEBT—\$349,353,207

DEMAND DEPOSITS WITH PROVINCE OF ONTARIO

SAVINGS OFFICE—\$77,069,440

This amount is made up of current deposits of \$76,982,051 and unclaimed balances of \$87,389. These accounts are carried by 21 branches of the Savings Office throughout the Province. The liability of the Savings Office to depositors is similar to the liability of a chartered bank in regard to savings deposits.

The Agricultural Development Finance Act, 1921 (11 George V, Ch. 31), empowered the Province to borrow money by means of deposits and to open offices for this purpose at various points in the Province. The Treasurer of Ontario is authorized to fix the conditions as to interest and repayments governing such deposits, the rate of interest to be not more than 4% per annum. The present legislation relating to the Savings Office is found in the Revised Statutes of 1960, Chapter 9. Under the existing legislation the moneys borrowed by way of these deposits may be used for the general purposes of the Province.

BANK OVERDRAFT—\$10,021,355

The balances in chartered banks for the account of the Treasurer of Ontario were verified by reconciliation with letters of confirmation received direct from the depositaries. It was also necessary to take into account a balance sheet adjustment to segregate sinking fund moneys on deposit with the Treasurer of Ontario from other Provincial moneys on deposit at March 31, 1963.

Cash on hand in the various branches of the Province of Ontario Savings Office was certified by the respective branch managers and the cash on deposit in chartered banks has been confirmed by direct correspondence with the banks concerned. The various branches of the Savings Office were examined by Head Office inspectors during the year without advance notice being given to the staff of the branches visited.

SPECIAL FUNDS—\$202,112,291**PUBLIC SERVICE SUPERANNUATION FUND—\$150,298,172**

During the year the funds of the Public Service Superannuation Fund on deposit with the Treasurer of Ontario increased by a net amount of \$21,811,986 to a total of \$150,298,172 as at March 31, 1963.

PUBLIC SERVICE RETIREMENT FUND—\$1,120,715

During the year the funds of the Public Service Retirement Fund on deposit with the Treasurer of Ontario decreased by a net amount of \$323,219 to a total of \$1,120,715 as at March 31, 1963. The decrease was due in part to a transfer to the Public Service Superannuation Fund of \$200,000 of accumulated interest in accordance with subsection 5 of section 29 of The Public Service Superannuation Act.

OTHER—\$50,693,404

The funds held for redemption of vacation-with-pay stamps increased by \$217,912 to a total of \$6,258,365. The funds held for the Motor Vehicle Accident Claims Fund, formerly the Unsatisfied Judgment Fund, have increased by \$260,766 to a total of \$8,664,995 as at March 31, 1963. The special account of the Ontario Hospital Services Commission has increased by \$17,700,000 to a total of \$29,902,660. A detailed list of Special Funds—Other is given in the Public Accounts for 1962-63 on page 60.

HOUSING CORPORATION LIMITED—LIABILITIES—\$1,357,090

The liabilities of Housing Corporation Limited consist mainly of a bank demand loan of \$1,350,000 guaranteed by the Province of Ontario. During the year the bank loan was reduced by \$400,000 and a bank overdraft of \$67,816 was retired in full.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN**CORPORATION—LIABILITIES—\$20,329,111**

The chief liabilities of the Ontario Junior Farmer Establishment Loan Corporation are as follows: \$9,000,000 of 2% debentures maturing in June, 1965, and \$11,000,000 of 4½% debentures maturing in October, 1976, both guaranteed by the Province, and accrued interest on these debentures amounting to \$301,729 as at March 31, 1963. In addition, the Corporation is indebted to the Treasurer

of Ontario for an advance of \$200,000. The rate of interest on the advance from the Province was $5\frac{1}{2}\%$ to July 3, 1962, 6% to November 16, 1962, and $5\frac{3}{4}\%$ to March 31, 1963. This advance has been eliminated by contra in the preparation of the balance sheet.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

LIABILITIES—\$38,463,920

The liabilities of The Ontario Municipal Improvement Corporation are made up mainly of outstanding debentures of \$37,800,000 bearing interest at rates from $2\frac{1}{2}\%$ to $5\frac{3}{4}\%$ and accrued interest on debentures of \$663,920; all guaranteed by the Province of Ontario.

In addition, the Corporation is indebted to the Treasurer of Ontario for net advances of \$13,789,000 of which \$2,912,000 bears interest at $5\frac{1}{2}\%$ and \$10,877,000 bears interest at $6\frac{1}{4}\%$. These advances have been eliminated by contra in the preparation of the balance sheet of the Province.

ACCOUNTS PAYABLE—\$1,775,988

Of this total, the largest amount is \$1,306,281 for the Department of Lands and Forests, which contains \$1,293,874 for Timber Deposits and prepayments, and \$12,407 for trade accounts payable. This latter amount, when added to accounts payable totals of the other Departments makes an amount of \$482,114 which represents the value of goods received and services rendered during the year, which had not been paid for at March 31, 1963 by the Departments. This liability has been brought on the balance sheet by an adjustment through Surplus Account.

ACCRUED INTEREST ON FUNDED DEBT—\$22,773,875

Interest accrued but not yet due as at March 31, 1963 on debentures outstanding in the hands of the public, accounts for \$22,763,600 of the above total. The remaining \$10,275 is a provision for interest coupons matured prior to November 1, 1932 and not yet presented for payment. This liability has been brought on the balance sheet by an adjustment through Surplus Account.

RESERVES—\$8,028,706

There has been a net increase of \$497,576 in this account. This is due mainly to a credit of \$733,396 to the General Reserve of The Ontario Municipal Improvement Corporation less a reduction of \$243,833 in the Reserve for Farm Loans due to a deficit in the operations of The Ontario Junior Farmer Establishment Loan Corporation in the fiscal year ended March 31, 1963. A statement of the various reserve accounts included under this heading is given on page 61 of the Public Accounts for 1962-63.

SURPLUS—\$1,064,184,457

Surplus has been increased during the fiscal year by a net amount of \$118,084,425. The principal items credited to Surplus Account during the fiscal year were Surplus on Ordinary Account \$578,647, Provision for Sinking

Fund \$39,000,000, capital disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue, \$90,000,000, capitalization of expenditures in connection with Provincial Parks and The Ontario-St. Lawrence Development Commission \$1,193,321 and an amount of \$29,939 resulting from an adjustment to the balance of the Common School Fund as mentioned earlier in this report.

During the fiscal year the main items reducing Surplus Account were Highway Capital Disbursements for the fiscal year ended October 31, 1933 amounting to \$6,448,248 written off, Rural Power Transmission Lines Bonus for the fiscal year ended October 31, 1933 amounting to \$277,000, written off, a repayment to the Government of Canada of \$5,498,812 under the Canada-Ontario Tax Rental Agreement 1952-56 and a net amount of \$380,053 relating to year-end adjustments of accounts receivable and payable, stores and materials, and accrued interest, etc.

Details of the changes in Surplus Account for the year are shown in the Public Accounts for 1962-63 on page 8.

CONTINGENT LIABILITIES—\$1,619,969,128

Bonds, etc., guaranteed by the Province of Ontario as at March 31, 1963	\$1,643,305,128
Less—Held in Sinking Fund	23,336,000
	<u>\$1,619,969,128</u>

Guarantees of payment made in connection with the indebtedness of certain Co-operative Associations, Corporations making loans under The Economic Development Loans Guarantee Act, a Power Commission, a Railway and a University, etc., as shown on pages 67-69 of the Public Accounts for 1962-63 are in accordance with the authority granted in the governing statutes.

During the fiscal year guarantees of bonds, etc., increased by a net amount of \$56,643,978. This is due mainly to a net increase of \$42,356,500 in issues of The Hydro-Electric Power Commission of Ontario, a net increase of \$10,378,478 in loans of Co-operative Associations and a net increase of \$3,776,000 in issues of the Ontario Northland Transportation Commission.

The amount of contingent liabilities shown on the balance sheet of the Province of Ontario is net of guaranteed obligations held in the sinking fund of the Province of Ontario. For further details see page 69 of the Public Accounts for 1962-63.

CHARTS AND STATEMENTS

Charts showing the trend in Gross and Net Debt and in Net Ordinary Revenue and Expenditures for the ten years ended March 31, 1963 are appended to this report on pages 36-37. Charts showing the trend in certain major items of Net Ordinary Revenue and Expenditure appear on pages 38-41 of this report. A chart showing comparisons between Estimated and Actual Net Ordinary Voted Expenditure for the ten years ended March 31, 1963 and a chart showing comparisons between Estimated and Actual Net Capital Voted Expenditure for the ten years ended March 31, 1963 are appended on pages 42-43.

The following statements for the fiscal year April 1, 1962 to March 31, 1963 will be found on pages 44-55.

Source and Application of Funds

Debentures of Ontario Municipalities and School Boards held by The Ontario Municipal Improvement Corporation as at March 31, 1963

Comparative Statement of Net Interim and Actual Ordinary Revenue

Comparative Statement of Net Interim and Actual Ordinary Expenditure

Comparative Summary of Net Interim and Actual Ordinary Revenue and Ordinary Expenditure

Comparative Statement of Net Interim and Actual Capital Receipts

Comparative Statement of Net Interim and Actual Capital Disbursements.

Statements showing details of Treasury Board Orders issued for the authorization of expenditures in excess of appropriations during the fiscal year ended March 31, 1963 and Special Warrants issued during the fiscal year ended March 31, 1963 are submitted in separate sections immediately following the statements referred to above.

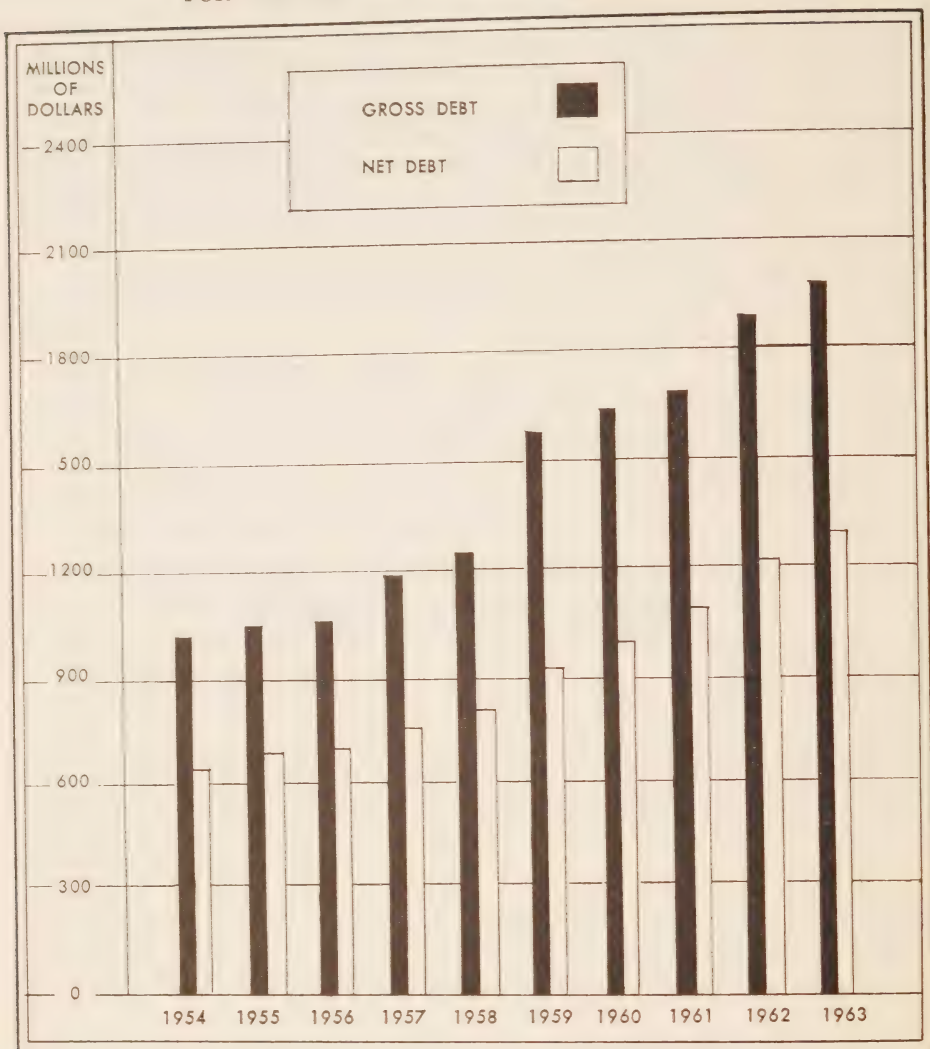
I am very pleased to have this opportunity to acknowledge the willing co-operation and effective help of the officials and staff of the various Departments, Boards and Commissions during the conduct of the audit.

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Toronto, November 29, 1963.

CHARTS AND STATEMENTS

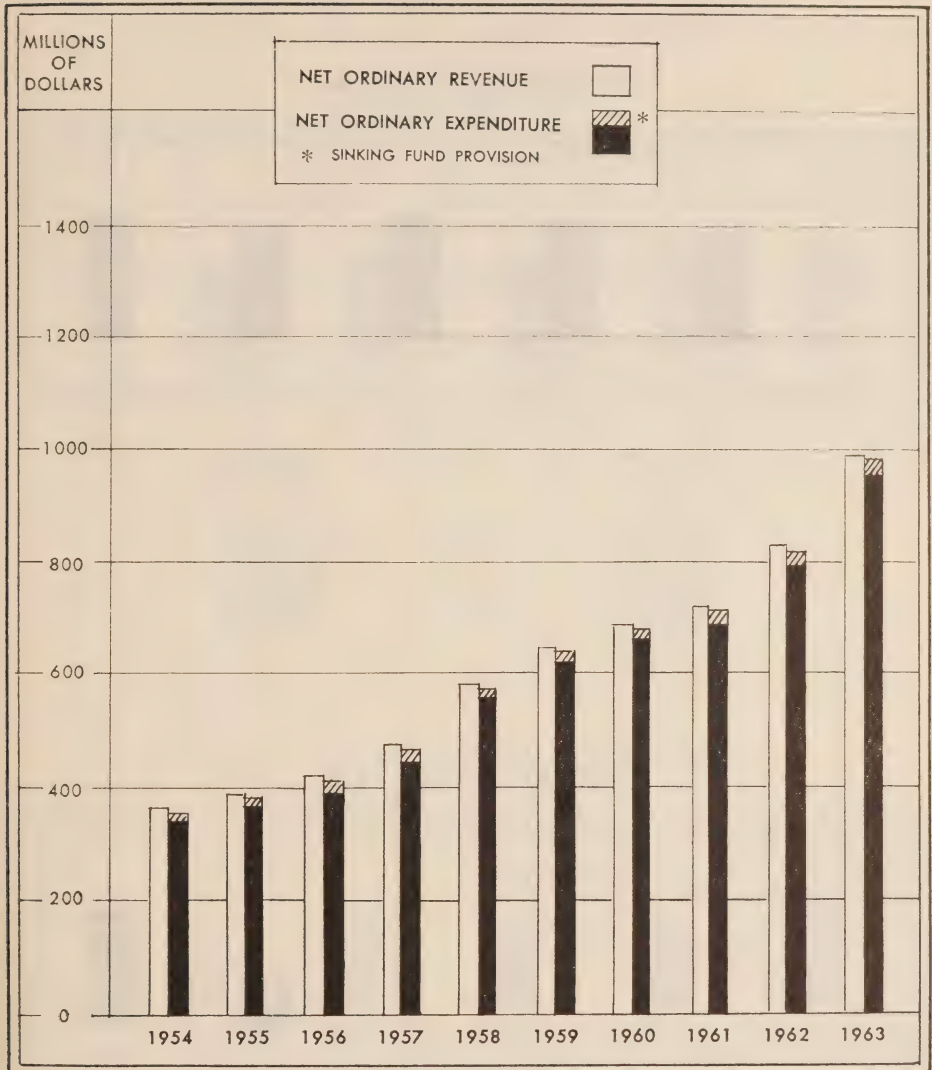
**GROSS AND NET DEBT
FOR THE TEN YEARS ENDED MARCH 31, 1963**



Gross and Net Debt per Public Accounts

YEAR ENDED MARCH 31	GROSS DEBT	NET DEBT
1954	\$1,035,484,085	\$ 629,995,642
1955	1,066,160,741	660,725,169
1956	1,072,409,119	705,306,145
1957	1,196,707,469	758,277,702
1958	1,285,809,989	818,606,441
1959	1,579,113,325	900,532,098
1960	1,642,671,624	993,554,760
1961	1,695,504,283	1,092,616,819
1962	1,884,972,861	1,209,063,700
1963	1,979,374,560	1,284,104,122

**NET ORDINARY REVENUE AND EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1963**

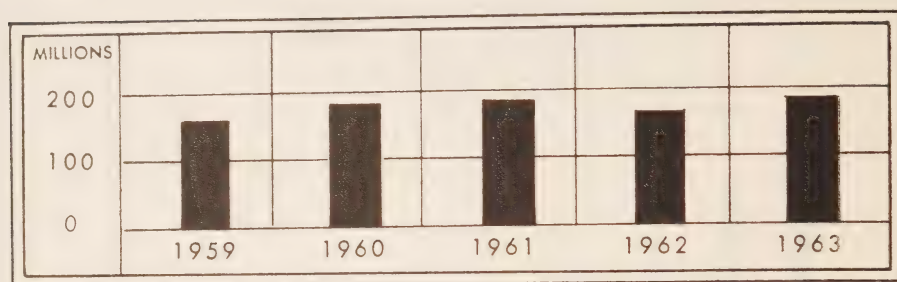


YEAR ENDED MARCH 31	NET ORDINARY REVENUE	NET ORDINARY EXPENDITURE	*SINKING FUND PROVISION
1954	\$372,973,316	\$372,040,302	\$29,945,000
1955	399,393,284	399,249,638	21,536,000
1956	427,969,363	425,464,481	32,630,000
1957	479,783,191	477,978,640	40,729,000
1958	591,849,092	590,983,062	17,833,000
1959	642,374,233	642,070,163	17,941,000
1960	702,469,593	701,605,902	31,054,000
1961	739,391,410	739,000,383	33,822,000
1962	825,352,009	824,849,622	35,802,000
1963	993,611,901	993,033,254	39,000,000

*Included in Net Ordinary Expenditure.

MAJOR ITEMS OF NET COMPARED FOR THE FIVE

CORPORATIONS TAX

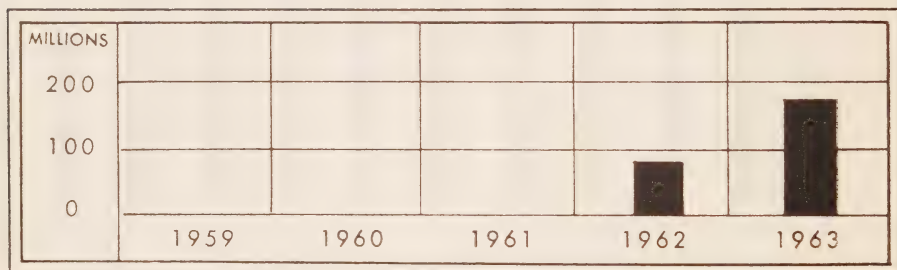


YEAR ENDED
MARCH 31

AMOUNT

1959	.....	\$158,783,059
1960	.....	175,850,437
1961	.....	185,667,356
1962	.....	165,854,287
1963	.....	185,717,994

RETAIL SALES TAX*



YEAR ENDED
MARCH 31

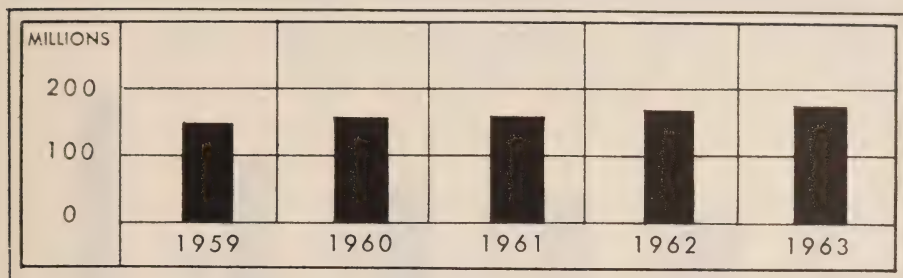
AMOUNT

1959	.....	\$.....
1960	.....	.....
1961	.....	.....
1962	.....	78,746,682
1963	.....	175,714,557

*Revenue under The Retail Sales Tax Act, 1960-61 commenced as of September 1, 1961.

ORDINARY REVENUE
YEARS ENDED MARCH 31, 1963

GASOLINE TAX

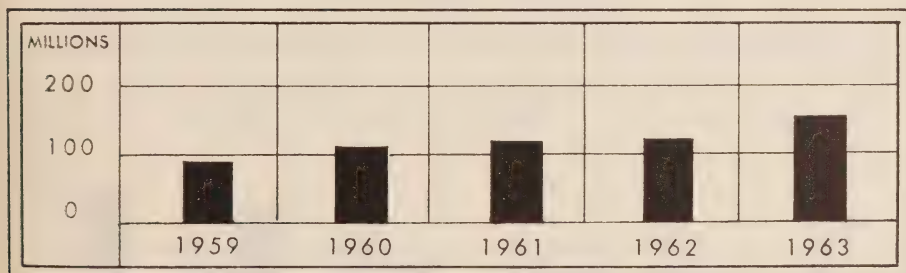


YEAR ENDED
MARCH 31

AMOUNT

1959	.....	\$145,912,609
1960	.....	152,158,907
1961	.....	157,655,684
1962	.....	165,193,317
1963	.....	173,135,315

INCOME TAX COLLECTION AGREEMENT*



YEAR ENDED
MARCH 31

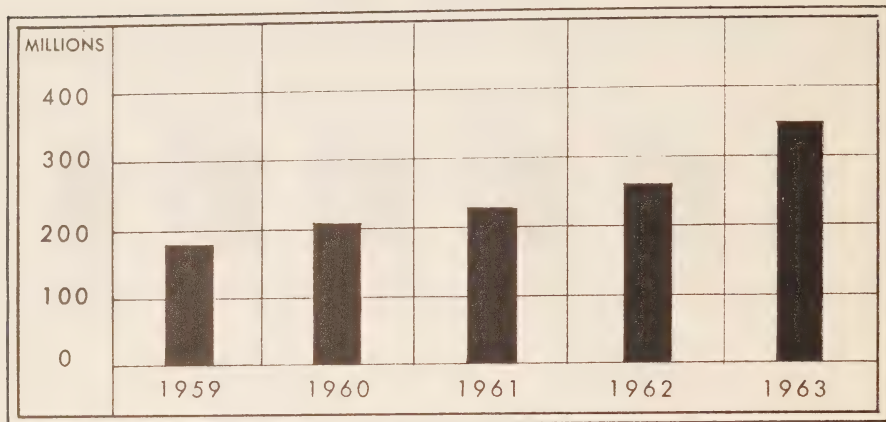
AMOUNT

1959	.....	\$ 89,928,000
1960	.....	109,605,040
1961	.....	113,791,937
1962	.....	120,651,639
1963	.....	151,844,240

*Income Tax Rental Agreement prior to April, 1962.

MAJOR ITEMS OF NET COMPARED FOR THE FIVE

EDUCATION

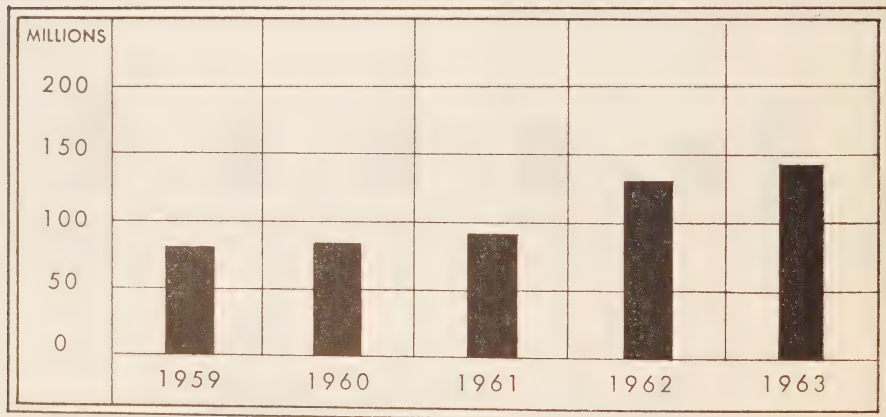


YEAR ENDED
MARCH 31

AMOUNT

1959	.....	\$176,519,991
1960	.....	203,859,896
1961	.....	226,510,583
1962	.....	261,723,044
1963	.....	348,367,974

HEALTH SERVICES



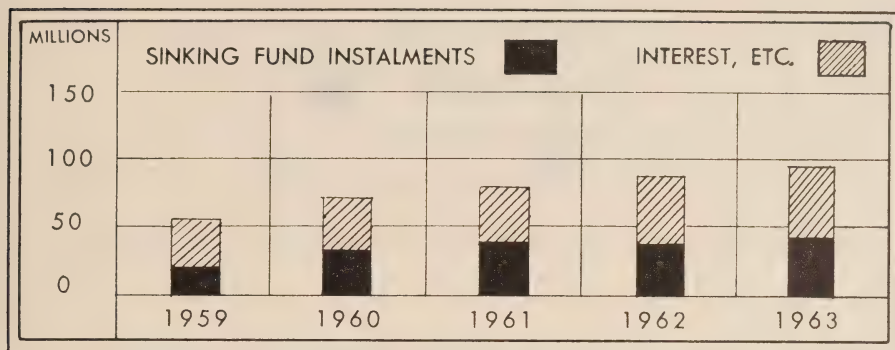
YEAR ENDED
MARCH 31

AMOUNT

1959	.....	\$ 76,983,395
1960	.....	83,626,383
1961	.....	88,960,472
1962	.....	130,316,189
1963	.....	144,302,638

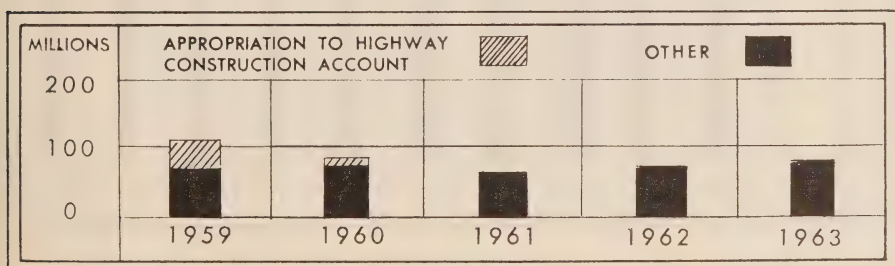
ORDINARY EXPENDITURE
YEARS ENDED MARCH 31, 1963

PUBLIC DEBT



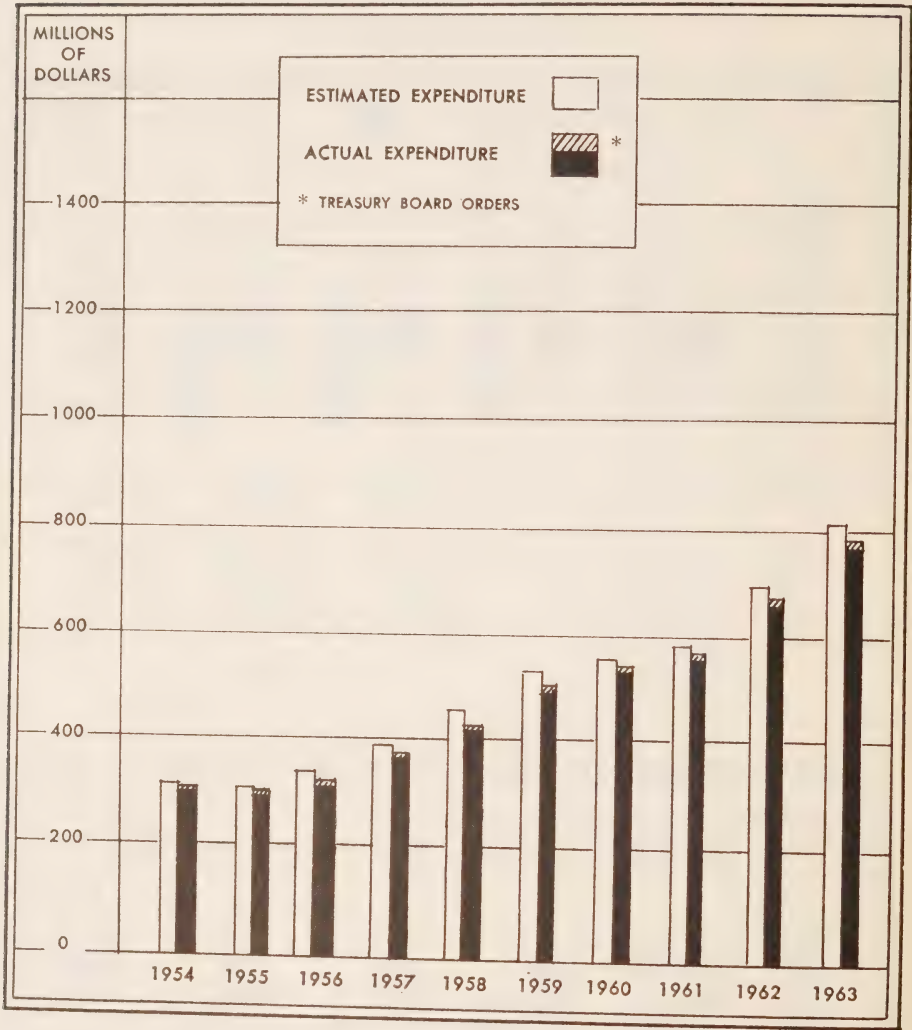
YEAR ENDED MARCH 31	SINKING FUND INSTALMENTS	INTEREST, ETC.	TOTAL
1959	\$17,941,000	\$32,343,999	\$50,284,999
1960	31,054,000	37,156,022	68,210,022
1961	33,822,000	44,410,520	78,232,520
1962	35,802,000	50,313,662	86,115,662
1963	39,000,000	57,406,874	96,406,874

HIGHWAYS AND ROADS, MAINTENANCE, GRANTS, Etc.



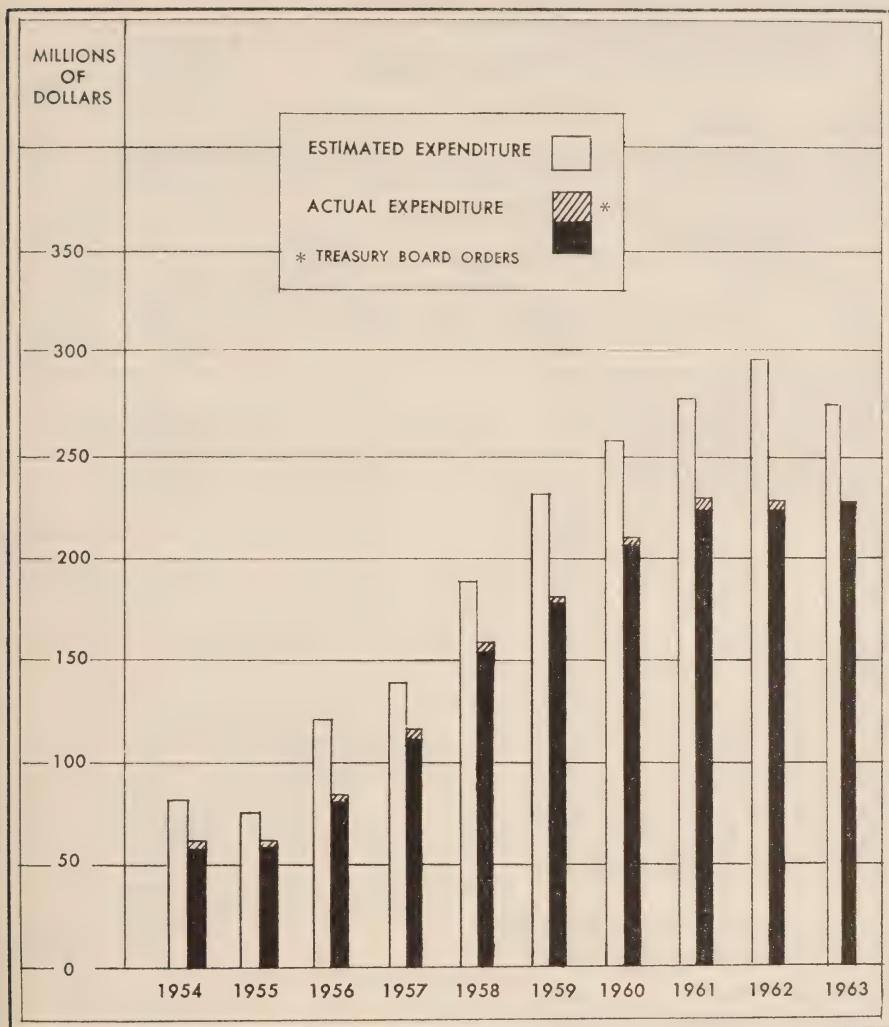
YEAR ENDED MARCH 31	APPROPRIATION TO HIGHWAY CONSTRUCTION ACCOUNT	OTHER	TOTAL
1959	\$45,000,000	\$68,226,243	\$113,226,243
1960	15,000,000	73,193,762	88,193,762
1961 .....	.....	71,563,798	71,563,798
1962 .....	.....	73,665,402	73,665,402
1963 .....	.....	78,784,248	78,784,248

ESTIMATED NET ORDINARY VOTED EXPENDITURE
COMPARED WITH ACTUAL NET ORDINARY VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1963



YEAR ENDED MARCH 31	ESTIMATED NET ORDINARY VOTED EXPENDITURE	ACTUAL NET ORDINARY VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1954	\$309,184,650	\$ 294,917,027	\$6,155,889	\$301,072,916
1955	326,586,100	318,382,185	7,564,525	325,946,710
1956	342,382,000	326,780,728	9,171,543	335,952,271
1957	390,372,000	374,572,562	3,268,081	377,840,643
1958	455,108,500	428,260,609	7,020,270	435,280,879
1959	531,676,500	506,037,469	5,075,319	511,112,788
1960	561,796,000	535,551,563	6,385,557	541,937,120
1961	588,203,400	558,082,501	7,842,746	565,925,247
1962	687,030,500	649,736,213	10,573,093	660,309,306
1963	802,135,000	765,599,893	10,696,506	776,296,399

**ESTIMATED NET CAPITAL VOTED EXPENDITURE
COMPARED WITH ACTUAL NET CAPITAL VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1963**



YEAR ENDED MARCH 31	ESTIMATED NET CAPITAL VOTED EXPENDITURE	ACTUAL NET CAPITAL VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1954	\$ 80,076,000	\$ 59,124,871	\$ 467,471	\$ 59,592,342
1955	73,900,000	56,495,391	637,169	57,132,560
1956	122,878,000	83,906,424	2,951	83,909,375
1957	142,008,000	114,315,129	4,956,458	119,271,587
1958	188,044,000	150,851,738	4,594,280	155,446,018
1959	230,810,000	178,876,677	743,400	179,620,077
1960	258,127,000	207,399,300	1,637,177	209,036,477
1961	275,600,000	225,839,595	4,880,319	230,719,914
1962	298,009,000	227,725,859	519,719	228,245,578
1963	275,392,000	229,084,116	.....	229,084,116

SOURCE AND APPLICATION OF FUNDS FOR THE FISCAL YEAR ENDED MARCH 31, 1963

SOURCE OF FUNDS—

Excess of Ordinary Revenue over Ordinary Expenditure.....	\$	578,647	
Add: Items not requiring an outlay of funds—			
Provision for Sinking Fund.....	\$	39,000,000	
Discount and Exchange on Debentures, written off.....		1,894,375	
			40,894,375
Increase in Liabilities:			
Debentures Issued (net of discount).....	\$	89,960,000	
Demand Deposits with Province of Ontario Savings Office (net)		20,901	
Special Funds—			
Public Service Superannuation and Retirement Funds (net).....	\$	21,488,767	
Ontario Hospital Services Commission (net).....		17,760,250	
Other—(net).....		1,018,757	
			40,267,774
Bequests, Scholarships and Outstanding Cheques (net).....		25,772	
			130,274,447
Decrease in Assets:			
Cash on Hand and in Banks.....	\$	48,482,104	
Loans and Advances Repaid.....		11,754,070	
Proceeds from Sinking Fund Investments matured and sold..		18,209,000	
Uninvested Sinking Fund.....		505,791	
Sale of Capital Assets and Recoveries.....		2,913,027	
Other.....		456	
			81,864,448
			<u>\$253,611,917</u>

APPLICATION OF FUNDS—

Investment in Physical Assets:			
Highways.....	\$172,368,498		
Mining and Access Roads.....	990,751		
		\$173,359,249	
Land and Buildings.....	\$ 25,532,960		
Storage Dams and Docks, etc.....	844,081		
		26,377,041	
Rural Power Transmission Lines.....		921,284	
Conservation Projects.....		2,840,630	
Special Projects re Townsites.....		10,569	
		\$203,508,773	
Less—Financed out of Ordinary Revenue.....		90,000,000	
			\$113,508,773
Increase in Other Assets:			
Temporary Investments (net).....	\$	41,864,283	
Loans and Advances:			
Ontario Water Resources Commission.....	\$	12,410,328	
The Municipality of Metropolitan Toronto..		10,000,000	
Other.....		7,726,384	
		30,136,712	
Sinking Fund Investments Purchased.....		25,317,000	
Other.....		18,337	
			97,336,332
Decrease in Liabilities:			
Debentures Retired through Sinking Fund.....	\$	32,397,791	
Debentures Retired prior to Maturity.....		865,000	
Debentures Retired at Maturity.....		4,005,209	
			37,268,000
Repayment to Government of Canada under Tax Rental Agreement, 1952-56..			5,498,812
			<u>\$253,611,917</u>

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1963**

NAME	PURPOSE	PAR VALUE
Acton, Town of.....	Water, Sewers and Schools \$	521,400.00
Ajax, Town of.....	Schools.....	113,500.00
Ajax, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	59,400.00
Alberton, Township of.....	Schools.....	100,400.00
Albion, Township of—Board of Trustees of Roman Catholic Separate School Section No. 8.....	Schools.....	33,900.00
Alliston, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	55,000.00
Amherstburg, Town of.....	Schools.....	161,200.00
Ancaster, Township of.....	Schools.....	61,000.00
Anderdon and Sandwich West, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2 and 8.....	Schools.....	30,300.00
Armstrong, Township of—Public School Board of School Section No. 1.....	Schools.....	56,900.00
Atikokan, Township of.....	Water, Sewers and Schools	522,100.00
Aurora, Town of.....	Water, Sewers and Schools	555,700.00
Aurora, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	36,600.00
Badgerow, Field, Gibbons and Grant, Townships of— Board of Trustees of Roman Catholic Union Sepa- rate School, United Sections Nos. 1; 1; 1, 2 and 4; and 1.....	Schools.....	184,300.00
Bala, Town of.....	Schools.....	54,200.00
Balfour, Township of.....	Schools.....	101,700.00
Bancroft, Village of.....	Schools.....	86,000.00
Bancroft, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	91,300.00
Barrie, City of—Board of Trustees of Roman Catholic Separate School Section No. 12.....	Schools.....	63,000.00
Bath, Village of.....	Water.....	30,800.00
Baxter, (Unorganized) Township of—Public School Board of School Section No. 2.....	Schools.....	35,400.00
Beardmore, Improvement District of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	53,000.00
Bertie, Township of.....	Water.....	68,000.00
Bicroft, Improvement District of.....	Water, Sewers and Schools	575,700.00
Bicknell, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	6,500.00
Black River, Township of.....	Water and Sewers.....	52,900.00
Blenheim, Township of—Board of Trustees of Roman Catholic Separate School Section No. 21.....	Schools.....	37,600.00
Bleazard, Township of.....	Schools.....	67,800.00
Blind River, Town of.....	Water, Sewers and Schools	743,765.08
Blind River, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	402,800.00
Bolton, Village of.....	Schools.....	44,100.00
Bonfield, Township of.....	Schools.....	71,300.00
Bothwell, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	39,700.00
Bracebridge, Town of.....	Water and Schools.....	538,100.00
Braeside, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	37,000.00
Brampton, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	97,400.00
Brantford, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	78,500.00
Britton, Wainwright and Zealand—Public School Board of the Township School Area.....	Schools.....	85,500.00
Broder, (Unorganized) Township of—Public School Board of Section No. 2.....	Schools.....	21,100.00
Broder, (Unorganized) Township of—Public School Board of Section No. 3.....	Schools.....	62,844.92
Broder and Dill, Townships of—Board of Public School Trustees, Union School Section No. 1.....	Schools.....	107,600.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1963**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Broder and Dill, Townships of—Board of Trustees of Roman Catholic Separate School, United Sections Nos. 1 and 1.....	Schools.....	\$ 78,300.00
Bruce Mines, Town of.....	Schools.....	97,400.00
Brudenell and Lyndoch and Radcliffe Union, Townships of—Board of Trustees of Roman Catholic Union Separate Schools, United Sections Nos. 3 and 3.....	Schools.....	17,000.00
Brunei, Township of.....	Schools.....	42,700.00
Burchell Lake, Public School Board of School Section No. 1.....	Schools.....	38,200.00
Burk's Falls, Village of.....	Schools.....	360,200.00
Burlington, Town of.....	Schools.....	801,000.00
Burlington, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	336,400.00
Burlington-Nelson, Board of Management Inter-Urban Area of.....	Water.....	158,000.00
Caledonia, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	32,500.00
Calvert, Township of.....	Water, Sewers and Schools.....	169,400.00
Calvert, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 1 and 4.....	Schools.....	183,300.00
Calvert, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	127,900.00
Capreol, Town of.....	Water and Sewers.....	32,100.00
Carew and Cavell, Townships of—Board of Public School Trustees of Union School Section No. 1.....	Schools.....	27,400.00
Carnarvon, Township of.....	Schools.....	103,200.00
Cartier, (Unorganized) Township of—Board of Trustees of Public School Section No. 1.....	Schools.....	1,500.00
Casgrain, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	32,500.00
Cayuga, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	28,100.00
Chapleau, Township of.....	Sewers.....	167,000.00
Chatham, Township of.....	Water.....	36,900.00
Chelmsford, Town of.....	Water and Schools.....	20,700.00
Chippawa, Village of.....	Water, Sewers and Schools.....	608,000.00
Chippawa, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	100,200.00
Christie, Township of.....	Schools.....	33,380.00
Cobalt, Town of.....	Schools.....	189,900.00
Cobden, Village of.....	Water and Sewers.....	37,000.00
Cobden, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	18,430.00
Cochrane, Town of.....	Sewers.....	61,000.00
Colchester North, Township of.....	Schools.....	81,100.00
Colchester North, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2 and 5.....	Schools.....	27,700.00
Conger and Cowper, Townships of—Board of Public School Trustees, Union School Section No. 4.....	Schools.....	16,350.00
Conmee, Township of.....	Schools.....	39,600.00
Crystal Beach, Village of.....	Water and Sewers.....	91,700.00
Crystal Beach, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	36,600.00
Dawson Road, Forbes and Goldie, Township School Area of—Public School Board.....	Schools.....	41,800.00
DeRoche, Jarvis, Hodgins, Gaudette and Shields—Public School Board of the Township School Area.....	Schools.....	29,700.00
Dill and Cleland, Townships of—Public School Board of Sections Nos. 3 and 1.....	Schools.....	42,700.00
Dorchester South, Yarmouth, Westminster and Dorchester North, Townships of—Board of Trustees of Roman Catholic Separate School, Union Public School Section Nos. 11, 20, 12 and 20.....	Schools.....	35,100.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1963**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Dorion, Improvement District of.....	Schools.....	\$ 35,200.00
Dover, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 3, 7, 9, 13 and 14.....	Schools.....	118,600.00
Dowling, Township of.....	Schools.....	37,300.00
Dowling, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	35,600.00
Draper, Township of.....	Schools.....	55,300.00
Drury, Denison and Graham, United Townships of...	Schools.....	89,100.00
Dryden, Town of.....	Water.....	22,000.00
Dryden and Awrey, Townships of—Board of Public School Trustees of Union School Section Nos. 3; and 1.....	Schools.....	59,900.00
Dungannon, Township of.....	Schools.....	33,300.00
Dymond, Township of.....	Schools.....	50,200.00
Dysart, Guilford, Harburn, Dudley, Harcourt, Bruton, Havelock, Eyre and Clyde, Townships of.....	Schools.....	20,000.00
Eilber, Barker and Devitt, (Unorganized) Townships of—Public School Board of School Section No. 1.....	Schools.....	28,000.00
Elliot Lake, Improvement District of.....	Water, Sewers and Schools	7,582,700.00
Elliot Lake, Improvement District of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	564,000.00
Elmvale, Village of.....	Water.....	1,000.00
Essa, Township of.....	Schools.....	37,000.00
Essex, County of.....	Schools.....	278,200.00
Etobicoke, Township of.....	Water and Sewers.....	433,000.00
Etobicoke, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 11 and 15.....	Schools.....	287,400.00
Eton, Aubrey, Wainwright and Van Horne, (Unorganized) Townships of—Public School Board of the Township School Area.....	Schools.....	85,500.00
Faraday, Township of.....	Schools.....	79,600.00
Fisher, (Unorganized) Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	13,000.00
Fisher and Herrick, Townships of—Board of Public School Trustees of Union School Section No. 1.....	Schools.....	16,700.00
Fonthill, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	108,400.00
Fort Frances, Town of.....	Water and Sewers.....	8,900.00
Fort Frances, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	55,200.00
Freeman, Township of.....	Schools.....	5,100.00
Frontenac, County of.....	Schools.....	657,000.00
Garson, Township of—Board of Trustees of Roman Catholic Separate School Sections Nos. 2 and 3.....	Schools.....	223,400.00
Georgetown, Town of.....	Water, Sewers and Schools	968,010.00
Georgetown, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	149,800.00
Geraldton, Town of.....	Schools.....	168,600.00
Glackmeyer, Township of.....	Schools.....	20,900.00
Gladstone, Bright, Parkinson, Patton and Eley, (Unorganized) Townships of—Board of School Trustees of Township School Area.....	Schools.....	32,500.00
Glencoe, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	16,300.00
Gloucester, Township of.....	Schools.....	118,300.00
Gore Bay, Town of.....	Schools.....	140,900.00
Gorham and Ware, Townships of—Public School Board of the Township School Area.....	Schools.....	51,300.00
Gould, Wells, Parkinson, and Grasette—Public School Board of the Township School Area.....	Schools.....	5,000.00
Grimsby, Town of.....	Schools.....	72,000.00
Grimsby North, Township of.....	Schools.....	21,800.00
Gwillimbury West, Township of.....	Drainage.....	26,830.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1963**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Hagar, Loughrin and Awrey, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 1 and 2; 1; and 1.....	Schools.....	\$ 55,100.00
Haultain, Milner and Nicol—Public School Board of the Township School Area.....	Schools.....	60,500.00
Hawkesbury, Town of.....	Water and Sewers.....	24,500.00
Hearst, Town of.....	Water and Sewers.....	30,000.00
Hensall, Village of.....	Schools.....	90,000.00
Herschel, Township of.....	Schools.....	21,400.00
Hespeler, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	72,500.00
Himsworth South, Township of.....	Schools.....	99,000.00
Houghton, Township of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	34,900.00
Howland, Township of.....	Schools.....	12,000.00
Ignace, Township of.....	Schools.....	52,500.00
Ingram, (Unorganized) Township of—Board of Trustees of the Township School Area.....	Schools.....	11,500.00
Innishl, Township of.....	Schools.....	131,000.00
Iron Bridge, Village of.....	Schools.....	4,400.00
Jaffray and Melick, Township of.....	Schools.....	100,900.00
Jaffray and Melick, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3....	Schools.....	75,900.00
Joan and Phyllis, (Unorganized) Townships of—Board of School Trustees of the Township School Area....	Schools.....	22,000.00
Johnson, Township of.....	Schools.....	38,900.00
Kashabowie, Township of—Public School Board of School Section No. 1.....	Schools.....	22,100.00
Keewatin, Town of.....	Schools.....	287,000.00
Keewatin, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	82,900.00
Kendrey, Improvement District of.....	Water and Sewers.....	62,300.00
Kennedy, Brower, Fox and Pyne—Public School Board of the Township School Area.....	Schools.....	33,200.00
Kilkenny, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	39,000.00
King, Township of.....	Drainage.....	12,400.00
Kingston, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	55,200.00
Korah, Township of.....	Water, Sewers and Schools	78,800.00
Korah, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	78,900.00
Korah, Township of—Board of Trustees of Roman Catholic Union Separate School, United School Sections Nos. 3 and 5.....	Schools.....	61,500.00
Laird, Township of.....	Schools.....	59,000.00
Lakefield, Village of.....	Water and Schools.....	227,300.00
Lakefield, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	33,900.00
Larder Lake, Township of.....	Schools.....	37,700.00
Lewis, Township of—Board of Trustees of the Public School Section No. 2.....	Schools.....	8,700.00
Lewis and Spragge, Townships of—Board of Public School Trustees, Union School Section No. 2.....	Schools.....	29,600.00
Lion's Head, Village of.....	Schools.....	75,000.00
London, City of.....	Schools.....	79,900.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 20.....	Schools.....	63,600.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 21.....	Schools.....	70,800.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 22.....	Schools.....	123,300.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 23.....	Schools.....	119,000.00
Long and Striker, Townships of—Board of Trustees of Public School Union Sections Nos. 1; and 1....	Schools.....	47,900.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1963**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Lutterworth, Township of.....	Schools.....	\$ 33,900.00
Lybster and South Marks, (Unorganized) Townships of—Board of School Trustees of the Township School Area.....	Schools.....	64,000.00
Macaulay, Township of.....	Schools.....	73,400.00
Macdonald, Meredith and Aberdeen Additional, Townships of.....	Schools.....	59,200.00
Machin, Township of.....	Schools.....	31,483.06
Madoc, Village of.....	Water and Sewers.....	14,400.00
Magnetawan, Village of.....	Schools.....	20,000.00
Maidstone, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7.....	Schools.....	50,200.00
Manitouwadge, Improvement District of.....	Water and Schools.....	1,335,300.00
Manitouwadge, Improvement District of—Board of Trustees of the Township School Area.....	Schools.....	488,300.00
Markdale, Village of.....	Schools.....	22,100.00
Markham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	64,000.00
Marmora, Village of.....	Schools.....	73,100.00
Massey, Town of.....	Schools.....	34,600.00
Matheson, Town of.....	Water, Sewers and Schools.....	74,500.00
Mattawa, Town of.....	Water and Sewers.....	96,000.00
Michipicoten, Township of.....	Schools.....	86,800.00
Middleton, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	44,200.00
Middleton and North Walsingham, Townships of— Board of Trustees of Roman Catholic Union Sepa- rate School, United Sections, Nos. 6 and 22.....	Schools.....	64,500.00
Milton, Town of.....	Sewers and Schools.....	276,200.00
Minaki, (Unorganized) Township of Public School Board of Section No. 1.....	Schools.....	25,500.00
Monmouth, Township of.....	Schools.....	44,500.00
Moore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	12,000.00
Nakina, Improvement District of.....	Schools.....	70,000.00
Neelon and Garson, United Townships of.....	Water and Schools.....	13,462.00
New Liskeard, Town of.....	Water and Sewers.....	5,000.00
Newmarket, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	105,800.00
Niagara, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	97,400.00
Niagara, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	35,300.00
Niagara Falls, City of.....	Water.....	669,000.00
Nipigon, Township of.....	Water and Sewers.....	145,900.00
North Fredericksburgh, Township of.....	Schools.....	8,600.00
North Gwillimbury, Township of.....	Schools.....	187,800.00
North York, Township of.....	Incinerator, Water and Sewers.....	538,000.00
Oakley, Township of.....	Schools.....	36,700.00
Oakville, Town of.....	Water, Sewers and Schools.....	1,367,000.00
Oakville, Town of—Board of Trustees of Roman Catholic Separate School Section No. 13.....	Schools.....	144,300.00
Oakville, Town of—Board of Trustees of Roman Catholic Separate School Section No. 18.....	Schools.....	120,000.00
Oliver, Township of.....	Schools.....	56,900.00
Onaping, Improvement District of.....	Schools.....	165,700.00
Oro, Township of.....	Schools.....	22,900.00
Paipoonge, Township of.....	Schools.....	92,000.00
Parkhill, Town of, and Williams West, Township of— Board of Trustees of Roman Catholic Union Sepa- rate School, United Section No. 10.....	Schools.....	36,900.00
Pelham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	35,300.00
Pembroke, Township of.....	Schools.....	58,600.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1963**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Penetanguishene, Town of.....	Schools.....	\$ 239,000.00
Petawawa, Township of.....	Schools.....	73,400.00
Pic, Township of—Public School Board of Section No. 1.....	Schools.....	59,400.00
Pickering, Township of.....	Schools.....	931,969.38
Pickering, Village of.....	Schools.....	88,000.00
Playfair, Township of.....	Schools.....	19,000.00
Port Carling, Village of.....	Water.....	14,100.00
Port Credit, Town of.....	Water and Schools.....	219,200.00
Port Credit, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	110,700.00
Port McNicoll, Village of.....	Water.....	9,300.00
Powassan, Town of.....	Schools.....	297,100.00
Prescott, Town of.....	Schools.....	154,000.00
Prince, Township of.....	Schools.....	42,952.00
Rainy River, Town of.....	Schools.....	119,000.00
Rayside, Township of.....	Schools.....	50,900.00
Redditt, Township of—Public School Board of Section No. 1.....	Schools.....	19,700.00
Red Lake, Township of.....	Schools.....	185,200.00
Red Lake, Township of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	75,900.00
Red Rock, Improvement District of.....	Water, Sewers and Schools	3,200.00
Red Rock, Improvement District of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	70,500.00
Renfrew, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	142,800.00
Richmond Hill, Town of.....	Schools.....	244,500.00
Richmond Hill, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	64,900.00
Riverside, Town of.....	Water, Sewers and Schools	66,500.00
Riverside, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	406,600.00
Rockland, Town of.....	Water.....	23,600.00
Rodney, Village of, and Aldborough, Township of—Board of Trustees of Roman Catholic Union Separate School for the Village and Section No. 5.....	Schools.....	32,500.00
Ryan, Kincaid and Herrick, Townships of—Board of Public School Trustees, Union School Section Nos. 1, 1 and 2.....	Schools.....	11,300.00
Ryde, Township of.....	Schools.....	43,400.00
St. Catharines, City of.....	Water and Sewers.....	334,400.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	53,000.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	97,400.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School Section No. 8.....	Schools.....	32,500.00
St. Clair Beach, Village of.....	Water, Sewers and Schools	82,950.00
St. Clair Beach, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	36,900.00
St. Joseph, Township of.....	Schools.....	75,793.31
St. Thomas, City of—Board of Trustees of Roman Catholic Separate School Section No. 18.....	Schools.....	105,100.00
Salter, May and Harrow, Townships of.....	Schools.....	73,000.00
Saltfleet, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	146,100.00
Sandwich East, Township of.....	Water, Sewers and Schools	641,650.00
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	63,800.00
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	6,600.00
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	35,300.00
Sandwich South, Township of.....	Schools.....	25,000.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
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SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Sandwich South, Township of—Board of Trustees of Roman Catholic Separate School Section No. 20...	Schools.....	\$ 66,100.00
Sandwich West, Township of.....	Water, Sewers and Schools	997,855.00
Sandwich West, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1....	Schools.....	66,100.00
Sandwich West, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2, 3, 4, 7 and 9.....	Schools.....	643,800.00
Sault Ste. Marie, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	190,600.00
Savant Lake—Public School Board of School Section No. 1.....	Schools.....	11,000.00
Schreiber, Township of.....	Water.....	18,000.00
Schreiber, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	19,500.00
Seneca, Township of—Board of Trustees of Roman Catholic Separate School Section No. 11.....	Schools.....	17,200.00
Shebandowan—Public School Board of School Section No. 1.....	Schools.....	22,100.00
Shedden, Township of—Public School Board of Section No. 1.....	Schools.....	62,700.00
Shedden, Township of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	141,600.00
Sherwood, Jones and Burns, Townships of.....	Schools.....	30,400.00
Sibley—Public School Board of the Township School Area.....	Schools.....	33,000.00
Sidney, Township of—Board of Trustees of Roman Catholic Separate School Section No. 11.....	Schools.....	15,900.00
Sioux Lookout, Town of.....	Water and Sewers.....	436,640.00
Sioux Lookout, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	87,100.00
Sioux Narrows, Improvement District of—Board of Trustees of the Roman Catholic Separate Schools...	Schools.....	84,100.00
South River, Village of.....	Water.....	58,000.00
Spragge, Township of—Public School Board of Section No. 1.....	Schools.....	53,000.00
Stafford, Township of.....	Schools.....	31,800.00
Stamford, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 3, 4, 5 and 6.....	Schools.....	105,800.00
Stamford, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 4, 5 and 6.....	Schools.....	84,800.00
Stamford, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7.....	Schools.....	96,000.00
Stisted, Township of.....	Schools.....	34,000.00
Stouffville, Village of.....	Sewers.....	405,700.00
Strathroy, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	13,700.00
Streetsville, Town of.....	Schools.....	83,000.00
Strong, Township of.....	Schools.....	163,200.00
Sturgeon Falls, Town of.....	Schools.....	187,900.00
Sudbury, City of.....	Water, Sewers and Schools	1,666,100.00
Sudbury, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	230,200.00
Sundridge, Village of.....	Schools.....	81,500.00
Sunnidale, Township of.....	Schools.....	51,000.00
Sutton, Village of.....	Water.....	249,100.00
Tarentorus, Township of.....	Water, Sewers and Schools	254,700.00
Tarentorus, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	78,300.00
Tay, Township of.....	Water.....	50,500.00
Teck, Township of.....	Water.....	139,940.04
Tehkummah, Township of.....	Schools.....	34,500.00
Thamesville, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	41,400.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1963**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Thessalon, Town of.....	Schools.....	\$ 117,910.00
Thessalon, Township of.....	Schools.....	77,900.00
Thorold, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	165,800.00
Timmins, Town of.....	Sewers.....	45,100.00
Timmins, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	534,600.00
Tisdale, Township of.....	Water and Sewers.....	303,900.00
Toronto, Township of.....	Water, Sewers and Schools	1,374,900.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	91,300.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	70,600.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	157,000.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	116,600.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7.....	Schools.....	64,000.00
Toronto Gore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 6....	Schools.....	32,500.00
Trout Creek, Town of.....	Schools.....	30,000.00
Twenty-Seven and Twenty-Eight, Townships of—Board of Trustees of Roman Catholic Separate School, Union School Section No. 1.....	Schools.....	36,700.00
Upsala, Township School Area of—Public School Board.....	Schools.....	35,300.00
Vaughan, Township of—Board of Trustees of Roman Catholic Separate School Section No. 25.....	Schools.....	73,700.00
Vermilion Additional, Drayton, Jordan and Vermilion, Townships of—Board of Public School Trustees, Union School Sections Nos. 1; 2; 1; and 1.....	Schools.....	93,200.00
Vespra, Township of.....	Schools.....	42,000.00
Wabigoon and Redvers, Township of—Board of Public School Trustees of Union School Sections Nos. 2 and 3.....	Schools.....	97,500.00
Wallaceburg, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	81,100.00
Waterford, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	21,100.00
Waters, Township of.....	Schools.....	186,700.00
Webbwood, Town of.....	Schools.....	33,200.00
Welland, City of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	101,700.00
West Ferris, Township of.....	Water, Sewers and Schools	632,900.00
Westminster, Township of—Board of Trustees of Roman Catholic Separate School Section No. 17...	Schools.....	36,900.00
Whitney, Township of.....	Sewers.....	20,100.00
Wicksteed, Township of.....	Schools.....	90,100.00
Wicksteed, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	92,200.00
Widdifield, Township of.....	Water.....	26,200.00
Windsor, City of.....	Water.....	800,000.00
Windsor, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	924,600.00
Wollaston, Township of.....	Schools.....	38,000.00
Woodbridge, Village of.....	Water and Schools.....	148,500.00
Wyoming, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	32,500.00
Zealand, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	92,900.00

\$52,852,014.79

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL ORDINARY
REVENUE FOR THE FISCAL YEAR APRIL 1, 1962, TO MARCH 31, 1963**

DEPARTMENT	NET INTERIM ORDINARY REVENUE	NET ACTUAL ORDINARY REVENUE	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture.....	\$ 1,763,000	\$ 1,804,230	\$ 41,230	\$
Attorney General.....	9,412,000	10,052,998	640,998	
Economics and Development.....	751,000	763,270	12,270	
Education.....	5,410,000	4,646,780		763,220
Energy Resources.....	207,000	245,745	38,745	
Health.....	1,836,000	2,022,685	186,685	
Highways.....	1,532,000	1,574,429	42,429	
Insurance.....	624,000	719,177	95,177	
Labour.....	1,166,000	1,212,453	46,453	
Lands and Forests.....	21,540,000	21,852,509	312,509	
Mines.....	15,173,000	16,500,147	1,327,147	
Municipal Affairs.....	331,000	334,359	3,359	
Prime Minister.....		45	45	
Provincial Secretary and Citizenship.....	2,503,000	2,463,120		39,880
Public Welfare.....	50,000	48,957		1,043
Public Works.....	978,000	1,007,812	29,812	
Reform Institutions.....	686,000	728,967	42,967	
Transport.....	71,000,000	69,634,293		1,365,707
Travel and Publicity.....	286,000	283,355		2,645
Treasury:				
Main Office—Subsidies.....	4,624,000	4,624,070	70	
—Interest.....	75,000	74,130		870
—Miscellaneous.....	7,000	19,952	12,952	
Ontario Racing Commission.....	160,000	171,237	11,237	
Liquor Control Board of Ontario..	90,000,000	87,500,000		2,500,000
Public Utilities Tax.....	600,000	967,307	367,307	
Water Power Rentals.....	5,100,000	5,267,942	167,942	
Comptroller of Revenue—				
Income Tax Collection Agree-				
ment.....	151,844,000	151,844,240	240	
Corporations Tax.....	182,000,000	185,717,994	3,717,994	
Succession Duty.....	44,000,000	44,148,863	148,863	
Retail Sales Tax.....	174,000,000	175,714,557	1,714,557	
Gasoline Tax.....	170,000,000	173,135,315	3,135,315	
Motor Vehicle Fuel Tax.....	7,900,000	8,204,235	304,235	
Hospitals Tax.....	4,100,000	4,224,715	124,715	
Race Tracks Tax.....	6,845,000	6,937,295	92,295	
Security Transfer Tax.....	2,900,000	2,926,291	26,291	
Land Transfer Tax.....	3,700,000	3,844,280	144,280	
Logging Tax.....	2,200,000	2,392,768	192,768	
Miscellaneous.....		1,379	1,379	
Total for Treasury.....	<u>\$850,055,000</u>	<u>\$857,716,570</u>	<u>\$10,162,440</u>	<u>\$2,500,870</u>
	<u><u>\$985,303,000</u></u>	<u><u>\$993,611,901</u></u>	<u><u>\$12,982,266</u></u>	<u><u>\$4,673,365</u></u>

*9 months' actual—3 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1962, TO MARCH 31, 1963**

DEPARTMENT	NET INTERIM ORDINARY EXPENDITURE	NET ACTUAL ORDINARY EXPENDITURE	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture.....	\$ 17,250,000	\$ 17,138,235	\$	\$ 111,765
Attorney General.....	25,422,000	25,053,949		368,051
Civil Service.....	850,000	845,356		4,644
Economics and Development.....	5,957,000	5,548,143		408,857
Education.....	353,755,000	348,367,974		5,387,026
Energy Resources.....	682,000	649,465		32,535
Health.....	145,676,000	144,302,638		1,373,362
Highways.....	78,941,000	78,784,248		156,752
Insurance.....	470,000	451,598		18,402
Labour.....	3,863,000	3,795,819		67,181
Lands and Forests.....	26,937,000	25,579,140		1,357,860
Lieutenant Governor.....	38,000	37,430		570
Mines.....	2,014,000	1,982,053		31,947
Municipal Affairs.....	42,164,000	41,771,275		392,725
Prime Minister.....	219,000	210,313		8,687
Provincial Auditor.....	470,000	463,462		6,538
Provincial Secretary and Citizenship..	3,913,000	3,898,151		14,849
Public Welfare.....	58,036,000	56,675,600		1,360,400
Public Works.....	11,946,000	11,848,367		97,633
Reform Institutions.....	14,677,000	14,568,611		108,389
Transport.....	5,862,000	5,589,310		272,690
Travel and Publicity.....	2,204,000	2,128,542		75,458
Treasury.....	16,625,000	16,930,544	305,544	
Stationery Account.....		6,157	6,157	
	<u>\$817,971,000</u>	<u>\$806,626,380</u>	<u>\$ 311,701</u>	<u>\$11,656,321</u>
Public Debt:				
Interest, etc.....	58,302,000	57,406,874		895,126
Provision for Sinking Fund.....	39,000,000	39,000,000		
	<u>\$915,273,000</u>	<u>\$903,033,254</u>	<u>\$ 311,701</u>	<u>\$12,551,447</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	70,000,000	90,000,000	20,000,000	
	<u>\$985,273,000</u>	<u>\$993,033,254</u>	<u>\$20,311,701</u>	<u>\$12,551,447</u>

*9 months' actual—3 months' forecast.

COMPARATIVE SUMMARY

**NET INTERIM* AND ACTUAL ORDINARY REVENUE AND ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1962, TO MARCH 31, 1963**

	INTERIM	ACTUAL	ACTUAL TO INTERIM
Net Ordinary Revenue.....	\$985,303,000	\$993,611,901	\$ 8,308,901
Less: Net Ordinary Expenditure (before items below).....	\$876,273,000	\$864,033,254	\$12,239,746
Provision for Sinking Fund.....	39,000,000	39,000,000	
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	70,000,000	90,000,000	20,000,000
Net Ordinary Expenditure.....	<u>\$985,273,000</u>	<u>\$993,033,254</u>	<u>\$ 7,760,254</u>
Surplus.....	<u>\$ 30,000</u>	<u>\$ 578,647</u>	<u>\$ 548,647</u>

*9 months' actual—3 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL CAPITAL
RECEIPTS FOR THE FISCAL YEAR APRIL 1, 1962, TO MARCH 31, 1963**

DEPARTMENT	NET INTERIM CAPITAL RECEIPTS	NET ACTUAL CAPITAL RECEIPTS	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture.....	\$	\$ 5,800	\$ 5,800	
Economics and Development.....	1,395,000	1,734,543	339,543	
Education.....	506,000	525,994	19,994	
Energy Resources.....		2,415	2,415	
Highways.....	1,310,000	1,504,048	194,048	
Labour.....	8,500,000	8,977,918	477,918	
Lands and Forests.....	700,000	728,652	28,652	
Mines.....	50,000	66,302	16,302	
Public Welfare.....		9,589	9,589	
Public Works.....	403,000	774,119	371,119	
Transport.....	4,500,000	4,695,296	195,296	
Treasury.....	99,019,000	101,221,870	2,202,870	
	<u>\$116,383,000</u>	<u>\$120,246,546</u>	<u>\$ 3,863,546</u>	

*9 months' actual—3 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL CAPITAL
DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1962, TO MARCH 31, 1963**

DEPARTMENT	NET INTERIM CAPITAL DISBURSE- MENTS	NET ACTUAL CAPITAL DISBURSE- MENTS	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture.....	\$ 575,000	\$ 442,500	\$	\$ 132,500
Economics and Development.....	1,945,000	1,843,401		101,599
Education.....	2,350,000	2,331,688		18,312
Energy Resources.....	700,000	921,284	221,284	
Highways.....	176,590,000	172,368,497		4,221,503
Labour.....	8,800,000	8,759,566		40,434
Lands and Forests.....	4,600,000	2,934,928		1,665,072
Mines.....	1,000,000	896,453		103,547
Municipal Affairs.....	10,701,000	10,710,569	9,569	
Ontario Water Resources Commission.....	14,000,000	12,410,328		1,589,672
Public Welfare.....		9,145	9,145	
Public Works.....	31,925,000	26,377,041		5,547,959
Transport— Motor Vehicle Accident Claims Fund.....	4,000,000	4,434,530	434,530	
Treasury.....	18,152,000	19,095,439	943,439	
	<u>\$275,338,000</u>	<u>\$263,535,369</u>	<u>\$ 1,617,967</u>	<u>\$13,420,598</u>
Less: Financed out of Ordinary Revenue.....	70,000,000	90,000,000	20,000,000	
	<u>\$205,338,000</u>	<u>\$173,535,369</u>	<u>\$18,382,033</u>	<u>\$13,420,598</u>

*9 months' actual—3 months' forecast.

TREASURY BOARD ORDERS

STATEMENT OF TREASURY BOARD ORDERS ISSUED FOR THE
AUTHORIZATION OF EXPENDITURES IN EXCESS OF APPROPRIATIONS
DURING THE FISCAL YEAR ENDED MARCH 31, 1963

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	ORDINARY		
	Department of Agriculture		
Feb. 27, 1963	Main Office: Travelling Expenses.....	2,000.00	1,422.75
	Expenses in connection with Agricultural Work, etc.:		
Dec. 19, 1962	Order..... \$10,200.00		
Feb. 27, 1963	Order..... 10,000.00	20,200.00	16,386.23
Nov. 14, 1962	Removal Expenses of Officials in the Public Service	11,000.00	10,964.36
Oct. 17, 1962	Grants.....	10,000.00	8,000.00
Mar. 20, 1963	Workmen's Compensation Board—Awards and Costs.....	6,000.00	4,637.63
	Agricultural and Horticultural Societies Branch: Grants under The Community Centres Act:		
Feb. 6, 1963	Order..... \$ 50,000.00		
Mar. 20, 1963	Order..... 100,000.00	150,000.00	148,973.00
	Dairy Branch:		
Feb. 20, 1963	Travelling Expenses.....	3,100.00	1,768.81
April 9, 1963	Dairy Instruction, Inspection.....	30,300.00	22,710.01
	Extension Branch:		
Feb. 13, 1963	Promotion of Junior Farmer Work.....	15,000.00	14,991.99
	Farm Economics and Statistics Branch:		
April 9, 1963	Salaries.....	2,000.00	1,766.85
	Live Stock Branch:		
April 2, 1963	Travelling Expenses.....	6,000.00	5,785.97
Nov. 21, 1962	Travelling and Other Expenses re Administration of The Stallions Act, etc.....	1,000.00	999.92
	Rabies—Indemnity Payments:		
Sept. 5, 1962	Order..... \$20,000.00		
April 2, 1963	Order..... 10,000.00	30,000.00	16,200.34
	Farm Products Marketing Board:		
Feb. 27, 1963	Salaries.....	7,500.00	7,498.84
	Farm Products Inspection Service:		
	Salaries:		
Jan. 16, 1963	Order..... \$38,100.00		
April 9, 1963	Order..... 5,000.00		
Jan. 16, 1963	Administration and Enforcement of The Plant Diseases Act and The Farm Products Grades and Sales Act, etc.....	43,100.00	42,339.29
		2,800.00	2,796.64

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Agriculture—Continued		
	Marketing Development Branch: Expenses in connection with Agricultural Marketing Development Work re The Farm Products Marketing Act and The Farm Products Containers Act, etc.:		
Mar. 13, 1963	Order.....	\$27,000.00	
April 16, 1963	Order.....	8,400.00	
		35,400.00	32,369.99
Mar. 20, 1963	Strathclair Farm, Sault Ste. Marie: Salaries.....	300.00	209.20
April 2, 1963	Horticultural Experiment Station, Vineland: Salaries.....	6,500.00	6,016.34
Feb. 20, 1963	Kemptville Agricultural School: Salaries.....	11,000.00	10,599.67
Mar. 20, 1963	Ontario Agricultural College, Guelph: Salaries.....	85,000.00	84,960.84
April 2, 1963	Ontario Veterinary College, Guelph: Expenses.....	10,120.00	9,125.10
Feb. 6, 1963	Ridgetown Unit.....	13,000.00	11,441.43
		501,320.00	461,965.20
	Department of Attorney General		
Nov. 28, 1962	Main Office: Maintenance.....	30,500.00	30,021.06
Sept. 5, 1962	Crown Counsel Prosecutions: Order.....	\$ 8,080.00	
Nov. 7, 1962	Order.....	25,000.00	
		33,080.00	27,411.48
Mar. 13, 1963	General Litigation and Legal Services.....	4,500.00	4,037.23
Feb. 6, 1963	Commissions and Sundry Investigations: Order.....	\$7,000.00	
April 9, 1963	Order.....	3,300.00	
		10,300.00	10,181.59
Feb. 20, 1963	Law Revision and Other Committees Expenses...	5,500.00	4,504.80
May 8, 1962	Royal Commissions.....	18,000.00	16,637.38
Mar. 13, 1963	Legislative Counsel and Registrar of Regulations: Salaries.....	300.00	229.76
Feb. 20, 1963	Judges' Staff—Supreme Court of Ontario: Maintenance.....	1,000.00	981.94
Nov. 28, 1962	Laboratory: Travelling Expenses.....	4,000.00	2,754.99
Nov. 7, 1962	Maintenance.....	44,000.00	43,955.55
Mar. 13, 1963	Probation Services: Salaries.....	23,000.00	20,935.18
Nov. 7, 1962	Ontario Securities Commission: Travelling Expenses.....	3,000.00	2,935.04
Oct. 17, 1962	Investigations and Miscellaneous Services: Order.....	\$3,000.00	
Nov. 7, 1962	Order.....	6,000.00	
		9,000.00	7,526.66

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Attorney General—Continued		
	Ontario Provincial Police:		
Sept. 19, 1962	Salaries.....	642,550.00	541,758.09
Feb. 20, 1963	Travelling Expenses.....	70,000.00	60,787.30
Sept. 19, 1962	Radio Communicating System.....	86,000.00	84,889.77
	Public Trustee:		
Feb. 6, 1963	Maintenance.....	8,000.00	6,866.92
	Supervising Coroner:		
	Salaries:		
Feb. 27, 1963	Order..... \$3,500.00		
April 9, 1963	Order..... 50.00		
		3,550.00	3,514.48
Nov. 7, 1962	Travelling Expenses.....	5,000.00	4,868.68
Feb. 27, 1963	Maintenance.....	1,500.00	1,496.54
	Ontario Police College:		
Nov. 7, 1962	Salaries.....	41,570.00	25,094.96
	Ontario Police Commission:		
Dec. 5, 1962	Salaries.....	2,000.00	687.30
	Emergency Measures:		
Nov. 28, 1962	Maintenance.....	60,000.00	22,288.40
		1,106,350.00	924,365.10
	Department of Civil Service		
Nov. 28, 1962	Publications and Advertising.....	21,000.00	20,998.32
	Department of Economics and Development		
	Main Office:		
	Travelling Expenses:		
Nov. 14, 1962	Order..... \$3,000.00		
Jan. 16, 1963	Order..... 4,000.00		
		7,000.00	4,645.74
Jan. 16, 1963	Publication of Technical, Economic, Financial and Other Reports.....	30,000.00	29,990.93
	Advertising, Exhibits and Conferences:		
Oct. 3, 1962	Order..... \$335,000.00		
Mar. 6, 1963	Order..... 17,000.00		
		352,000.00	351,985.00
	Economic Statistics Branch:		
Nov. 14, 1962	Travelling Expenses.....	1,000.00	454.73
	Finance and Administration Branch:		
	Travelling Expenses:		
Nov. 14, 1962	Order..... \$2,000.00		
April 4, 1963	Order..... 750.00		
		2,750.00	2,729.74
	Maintenance:		
Jan. 9, 1963	Order..... \$6,750.00		
Jan. 16, 1963	Order..... 5,000.00		
		11,750.00	11,681.63

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
	Department of Economics and Development —Continued	\$ c.	\$ c.
	Industrial Development Branch:		
Mar. 6, 1963	Salaries.....	3,000.00	2,413.84
	Travelling Expenses:		
Nov. 14, 1962	Order..... \$48,000.00		
Jan. 16, 1963	Order..... 12,000.00	60,000.00	54,610.37
	Maintenance:		
Nov. 14, 1962	Order..... \$15,000.00		
Jan. 16, 1963	Order..... 16,000.00	31,000.00	30,983.98
	Western European Trade and Industrial Representative—Administration Expenses, etc.:		
Jan. 16, 1963	Order..... \$30,000.00		
April 9, 1963	Order..... 21,500.00	51,500.00	51,468.52
	Ontario Research Foundation:		
Oct. 3, 1962	Grants as authorized by the Minister.....	54,000.00	54,000.00
	Ontario-St. Lawrence Development Commission:		
Mar. 6, 1963	Operation of Parks and Historic Sites.....	28,500.00	26,054.48
Jan. 16, 1963	Construction and Development.....	50,000.00	38,124.87
		682,500.00	659,143.83
	Department of Education		
	Secondary Education Branch:		
Feb. 6, 1963	Maintenance.....	1,500.00	27.92
	Registrar's Branch:		
Mar. 13, 1963	Departmental Examinations.....	14,000.00	12,702.81
	Curriculum and Text-Books Branch:		
July 19, 1962	Maintenance.....	3,000.00	2,581.87
	Other Educational Services:		
	Provincial Library Service:		
Aug. 8, 1962	Ontario Library Review—Publishing, Distributing, etc.....	1,400.00	1,085.56
	Dominion-Provincial Agreements:		
	Various Programmes, Services, Expenses, etc.:		
Feb. 6, 1963	Order..... \$1,500,000.00		
April 9, 1963	Order..... 350,000.00	1,850,000.00	1,841,796.78
	Legislative Grants, etc.:		
Oct. 24, 1962	Residential and Farm School Tax Assistance Grant.....	700,000.00	657,837.22
Mar. 20, 1963	Miscellaneous Grants.....	50,000.00	47,936.48
	Grants to Provincial and Other Universities, etc.:		
Oct. 24, 1962	University of Toronto, including certain affiliated Institutions.....	60,000.00	60,000.00
Oct. 24, 1962	Queen's University.....	30,000.00	30,000.00
Oct. 24, 1962	University of Western Ontario.....	30,000.00	30,000.00
Oct. 24, 1962	McMaster University.....	20,000.00	20,000.00
Oct. 24, 1962	University of Ottawa—for Instruction in Medicine and the Sciences.....	15,000.00	15,000.00
Oct. 24, 1962	Carleton University.....	15,000.00	15,000.00
Oct. 24, 1962	Essex College (Assumption University of Windsor)	15,000.00	15,000.00
Oct. 24, 1962	University of Waterloo.....	15,000.00	15,000.00
		2,819,900.00	2,763,968.64

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Health				
Mar. 6, 1963	Main Office: Travelling Expenses	5,000.00		3,196.57	
	Medical and Other Research; Services and Expenses:				
April 4, 1963	Order	\$6,000.00			
April 9, 1963	Order	7,000.00			
		13,000.00		11,780.50	
Jan. 30, 1963	Workmen's Compensation Board—Awards and Costs excluding Mental Health Branch	4,000.00		1,473.93	
Dec. 12, 1962	Unemployment Insurance Stamps	1,000.00		740.03	
	Workmen's Compensation Board—re Tuberculosis contracted by an Employee of the Department of Health:				
Dec. 12, 1962	Order	\$6,000.00			
April 2, 1963	Order	9,000.00			
		15,000.00		11,706.74	
April 9, 1963	Laboratory Branch: Grants to Hospital Laboratories providing Community Diagnostic Public Health Services	12,700.00		12,645.35	
	Mental Health Branch: General Expenses:				
April 2, 1963	Workmen's Compensation Board—Awards and Costs	46,000.00		39,004.41	
April 2, 1963	Payment to the Hospital Services Commission of Ontario, in reimbursement for Expenditures relating to Mental Care	500,000.00		426,353.38	
		596,700.00		506,900.91	
	Department of Highways				
April 2, 1963	Maintenance—King's Highways and Other Roads: Winter Maintenance: King's Highways and Secondary Highways (The Highway Improvement Act, Sections 22 and 108)	1,500,000.00		1,156,386.85	
Oct. 24, 1962	Municipal Subsidies (The Highway Improvement Act, Sections 51, 55, 59, 60, 61, 67, 71, 75, 79, 80 and 83, The Municipality of Metropolitan Toronto Act, Sections 78 and 101, and The Municipal Subsidies Adjustment Act, Sec. 1) ..	1,500,000.00		1,100,299.20	
		3,000,000.00		2,256,686.05	
	Department of Insurance				
Feb. 13, 1963	Main Office: Travelling Expenses	4,000.00		2,500.94	
	Department of Labour				
Feb. 20, 1963	Main Office: Salaries	24,000.00		21,383.02	
Feb. 20, 1963	Maintenance	35,000.00		33,971.66	
Feb. 20, 1963	Conciliation Boards, Commissions, Labour Safety Council of Ontario, etc.	60,000.00		28,059.45	
April 2, 1963	Advertising, Investigations, etc.	5,000.00		3,847.04	

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Labour—Continued				
	Apprenticeship Branch:				
April 2, 1963	Examiners' Fees.....	2,000.00		780.00	
April 2, 1963	Development of Apprenticeship Training.....	10,000.00		9,219.93	
	Engineering Services Branch:				
Feb. 20, 1963	Salaries.....	29,000.00		22,283.16	
April 2, 1963	Travelling Expenses.....	7,000.00		3,586.01	
Nov. 14, 1962	Maintenance.....	13,000.00		10,336.95	
	Board of Examiners of Operating Engineers:				
April 2, 1963	Maintenance.....	5,000.00		2,407.43	
	Labour Relations Board:				
Feb. 20, 1963	Salaries.....	30,000.00		26,556.13	
April 2, 1963	Per Session Allowances (Board Members).....	7,000.00		3,550.00	
April 2, 1963	Travelling Expenses.....	10,000.00		2,568.75	
April 2, 1963	Maintenance.....	18,000.00		17,986.20	
	Office of Athletics Commissioner:				
Feb. 20, 1963	Assistance to Amateur Sport.....	15,000.00		7,629.76	
	Human Rights Commission:				
Oct. 3, 1962	Salaries.....	6,800.00		3,295.05	
Dec. 5, 1962	Maintenance.....	25,000.00		24,680.99	
	Educational Programme:				
Oct. 3, 1962	Order..... \$20,000.00				
April 16, 1963	Order..... 5,788.00				
		25,788.00		25,757.78	
		327,588.00		247,899.35	
	Department of Lands and Forests				
	Main Office:				
Feb. 6, 1963	Workmen's Compensation Board—Awards and Costs.....	45,000.00		36,887.06	
	Field Services:				
	Grants:				
April 4, 1963	Municipalities and Conservation Authorities to aid in the acquisition of Forest Areas.....	41,984.00		39,728.89	
	Parks Improvements:				
April 2, 1963	Acquisition of Land, Construction of Buildings, etc.....	200,000.00		130,588.03	
		286,984.00		207,203.98	
	Department of Mines				
	Mines Inspection Branch:				
April 9, 1963	Salaries.....	5,000.00		4,155.93	
	Laboratories Branch:				
April 9, 1963	Maintenance.....	4,000.00		1,562.54	
	Mining Lands Branch:				
April 9, 1963	Maintenance.....	3,000.00		191.95	
		12,000.00		5,910.42	

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Municipal Affairs				
	Main Office:				
	Grants to Municipalities:				
Dec. 5, 1962	Payments in lieu of Certain Municipal Taxes:				
	Order.....	\$160,000.00			
Feb. 20, 1963	Order.....	165,000.00			
		325,000.00		286,882.51	
	Ontario Municipal Board:				
Feb. 13, 1963	Salaries.....	12,000.00		9,540.37	
Feb. 13, 1963	Maintenance.....	17,000.00		13,080.76	
		354,000.00		309,503.64	
	Department of Prime Minister				
	Main Office:				
Feb. 6, 1963	Salaries.....	4,000.00		2,322.52	
Feb. 6, 1963	Travelling Expenses.....	4,000.00		2,433.89	
		8,000.00		4,756.41	
	Department of Provincial Secretary and Citizenship				
	Main Office:				
April 16, 1963	Maintenance.....	5,000.00		4,801.99	
Feb. 27, 1963	Workmen's Compensation Board—Awards and Costs.....	400.00		345.42	
	Office of the Speaker:				
Feb. 27, 1963	Travelling Expenses.....	700.00		620.00	
Feb. 6, 1963	Maintenance.....	2,500.00		2,499.48	
	Clerk of the Legislative Assembly and Chief Election Officer:				
April 2, 1963	Maintenance.....	1,000.00		914.87	
	Queen's Printer:				
April 9, 1963	Ontario Gazette.....	6,000.00		4,976.64	
	Sessional Requirements:				
	Stationery including Printing Paper, etc.:				
April 2, 1963	Order.....	\$20,000.00			
April 16, 1963	Order.....	13,000.00			
Feb. 27, 1963	Maintenance.....	33,000.00		32,169.12	
		3,000.00		2,998.70	
	Committee Fees, etc.:				
Oct. 24, 1962	Order.....	\$25,000.00			
Dec. 12, 1962	Order.....	10,000.00			
Feb. 6, 1963	Order.....	15,000.00			
April 16, 1963	Order.....	8,000.00			
		58,000.00		56,974.18	
	Grant to Commonwealth Parliamentary Association:				
May 30, 1962	Order.....	\$ 1,800.00			
Oct. 3, 1962	Order.....	10,500.00			
		12,300.00		12,146.13	
Jan. 2, 1963	Legislative Committee for Art Purposes.....	1,500.00		1,500.00	
		123,400.00		119,946.53	

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Public Welfare				
	Main Office:				
Mar. 20, 1963	Salaries.....	5,350.00		5,348.46	
Jan. 30, 1963	Travelling Expenses.....	3,000.00		2,758.16	
Oct. 10, 1962	Maintenance.....	6,700.00		6,493.86	
	Child Welfare Branch:				
Mar. 20, 1963	Salaries.....	7,700.00		5,282.21	
Jan. 30, 1963	Travelling Expenses.....	4,200.00		1,745.09	
	Services, Grants, etc., under The Child Welfare Act:				
Feb. 13, 1963	Provincial Aid to Municipalities, Maintenance of Children from Unorganized Territory, etc.....	93,000.00		89,210.55	
Oct. 10, 1962	Stenographic Services in Unorganized Territory, Legal costs and Sundry Administration.....	10,000.00		7,940.81	
	Day Nurseries Branch:				
Feb. 13, 1963	Day Nurseries—Contributions for Operation and Maintenance.....	25,000.00		24,582.88	
	Field Services Branch:				
Mar. 20, 1963	Salaries.....	13,825.00		8,747.47	
	General Welfare Assistance Branch:				
Mar. 20, 1963	General Welfare Assistance.....	2,040,000.00		1,711,970.94	
	Homemakers and Nurses Services:				
Feb. 13, 1963	Salaries.....	60.00		60.00	
Feb. 13, 1963	Subsidies on Homemakers and Nurses Services.....	14,000.00		11,526.20	
	Welfare Allowances Branch:				
Mar. 20, 1963	Maintenance.....	3,700.00		2,065.70	
Feb. 13, 1963	Medical and Surgical Treatment for Blind Persons.....	1,600.00		125.40	
		2,228,135.00		1,877,857.73	
	Department of Public Works				
	Main Office:				
April 9, 1963	Workmen's Compensation Board—Awards and Costs.....	5,500.00		5,402.87	
	Leased Premises:				
Feb. 13, 1963	Rentals and Expenses in connection therewith....	100,000.00		86,544.36	
	Aid to Drainage:				
Feb. 6, 1963	Grants in Aid of Drainage Work.....	150,000.00		149,940.45	
		255,500.00		241,887.68	
	Department of Transport				
	Main Office:				
Dec. 19, 1962	Travelling Expenses.....	5,000.00		3,762.39	

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Travel and Publicity		
	Main Office:		
Oct. 17, 1962	Travelling Expenses	4,000.00	3,991.36
Jan. 9, 1963	Northern Great Lakes Area Council—Membership Assessment and Expenses of Delegates attending meetings	1,000.00	567.54
	Information Branch:		
Jan. 30, 1963	Operation of Official Reception Centres, etc., including Purchase and Rental of Equipment, etc.	2,000.00	1,933.02
	Historical Branch:		
Feb. 13, 1963	Salaries	1,200.00	276.85
Jan. 30, 1963	Museum Grants	1,000.00	995.17
		9,200.00	7,763.94
	Treasury Department		
	Main Office:		
April 2, 1963	Premium on Fidelity Bonds	800.00	739.85
May 24, 1962	Unemployment Insurance Stamps	11,000.00	8,222.30
Mar. 20, 1963	Miscellaneous Grants	21,500.00	21,012.58
	Ontario Racing Commission:		
Nov. 14, 1962	Maintenance	64,000.00	43,270.03
	Housing Mortgage Branch:		
April 4, 1963	Maintenance	300.00	239.83
		97,600.00	73,484.59
	Total Ordinary Treasury Board Orders	12,439,177.00	10,696,505.65

SPECIAL WARRANTS

STATEMENT OF SPECIAL WARRANTS ISSUED DURING THE FISCAL YEAR
ENDED MARCH 31, 1963

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	ORDINARY		
	Department of Agriculture		
Nov. 8, 1962	Contribution by Province of Ontario of Fifty Cents (50c.) per standard ton towards deficiency payments payable to Sugar Beet Growers in Ontario for the 1961 crop.....	124,201.80	124,201.80
	Department of Attorney General		
Sept. 14, 1962	Payment of salaries of two Division Court Judges as well as one Clerk Stenographer, travelling expenses and maintenance including office rent, furniture, equipment, stationery, supplies and telephone for the seven-month period commencing September 1, 1962.....	23,350.00	10,287.21
Sept. 14, 1962	Payment of salary of 1 Principal Clerk, travelling expenses for the Chief Judge of the County and District Courts and maintenance including office furniture and equipment.....	11,700.00	8,673.03
Nov. 15, 1962	Payment of costs of Police Forces Zone Meetings...	6,000.00	3,476.91
		41,050.00	22,437.15
	Department of Health		
June 14, 1962	Special Grants to the following organizations: Seniors' Convalescent Home, Burlington, 6,100.00, Illahee Lodge, Cobourg, 4,800.00, Ontario Society for Crippled Children—for Convalescent Camps, 48,100.00, Canadian Mothercraft Centre, Toronto, 4,000.00.....	63,000.00	63,000.00
	Office of Lieutenant Governor		
Nov. 15, 1962	Payment of expenses incurred by the Honourable J. Keiller Mackay, Lieutenant Governor of the Province of Ontario in connection with the visit to the Province of Her Majesty the Queen Mother, Her Royal Highness the Princess Royal and other distinguished visitors and guests.....	12,000.00	11,622.63

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Municipal Affairs		
July 26, 1962	Payment to His Honour Judge Joseph A. Sweet re the balance of an amount due to him for transportation and living expenses for acting as Commissioner in the matter of an inquiry into certain financial affairs of the Corporation of the Township of York	465.23	465.23
Oct. 11, 1962	Payment of engineering fees for production of a new Manual of Assessment Values.	26,000.00	23,000.00
		26,465.23	23,465.23
	Department of Prime Minister		
	Canteen Supplies for Her Majesty's Forces stationed in Ontario and Overseas:		
April 25, 1962	Warrant..... \$14,000.00		
Nov. 1, 1962	Warrant..... 15,000.00	29,000.00	28,199.75
	Department of Public Welfare		
Nov. 15, 1962	Expenditures deemed necessary to ensure that a child born with deformities resulting from the administration to the mother, prior to the birth of the child and on the prescription of a duly qualified medical practitioner, of the drug known as "thalidomide", shall receive proper care and treatment.	3,000.00	968.00
	Department of Reform Institutions		
Aug. 2, 1962	Assistance in the completion of the construction of St. John's Training School at Uxbridge.	150,000.00	150,000.00
	Treasury Department		
	Payment of expenses of the Royal Commission on Crime in Ontario:		
July 5, 1962	Warrant..... \$50,000.00		
Nov. 15, 1962	Warrant..... 90,000.00	140,000.00	96,009.28
	Total Special Warrants	588,717.03	519,903.84

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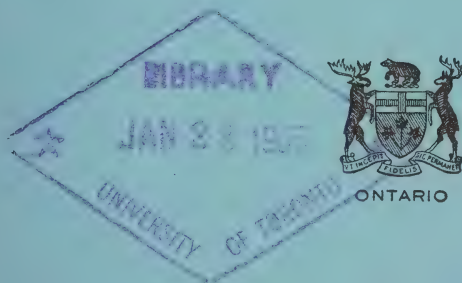
PROVINCIAL AUDITOR'S REPORT

Office

1963-64

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



TORONTO

PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER
1964

PROVINCIAL AUDITOR'S REPORT 1963-64

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO
SESSIONAL PAPER No. 3, 1965



ONTARIO

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1964

TO THE HONOURABLE W. EARL ROWE, P.C.(C.),
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

The undersigned has the honour to present to Your Honour the following report for the fiscal year ended March 31st, 1964, in accordance with the requirements of The Audit Act.

Respectfully submitted,

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Provincial Auditor's Office,
Toronto, November 27, 1964.

REPORT OF THE PROVINCIAL AUDITOR TO THE
LEGISLATIVE ASSEMBLY OF ONTARIO FOR THE
FISCAL YEAR ENDED MARCH 31st, 1964, IN
ACCORDANCE WITH THE REQUIREMENTS OF
THE AUDIT ACT.

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REPORT OF THE PROVINCIAL AUDITOR

1963 - 1964

I have the honour to report to the Legislative Assembly on the examination and audit of the accounts of the Province of Ontario for the fiscal year ended March 31, 1964, in accordance with the requirements of section 20 of The Audit Act.

I have examined the Balance Sheet of the Province of Ontario as at March 31, 1964, the Statements of Revenue and Expenditure for the year ended on that date and other related statements, and have compared them with the books of account and financial records. I have obtained all the information and explanations I have required.

Subject to the qualifications in this report, in my opinion and according to the best of my information and the explanations given to me and as shown by the books of the Province, the Balance Sheet, Statements of Revenue and Expenditure and other related statements are properly drawn up in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year so as to present fairly the financial position of the Province as at March 31, 1964, and the results of its operations for the year then ended.

BASIS OF ACCOUNTING

The cash basis of accounting for Ordinary Revenue and Expenditure and Capital Receipts and Disbursements has been used as in previous years, and the Balance Sheet has been prepared so as to present the financial position of the Province at March 31, 1964 on a modified accrual basis with the adjustments necessary to give effect thereto being made through Surplus Account.

OPERATIONS FOR 1963-64

The Honourable James N. Allan, as Treasurer of Ontario, in his address to the Legislative Assembly of Ontario on February 7, 1963, presented budget forecasts of ordinary revenue and expenditure and of capital receipts and disbursements for the fiscal year ended March 31, 1964, and in his address to the Legislative Assembly of Ontario on February 12, 1964, presented interim statements of ordinary revenue and expenditure and of capital receipts and disbursements for the same fiscal year, consisting of eight months' actual results and four months' forecast.

The statements which follow compare the budget forecasts after inclusion of Supplementary Estimates with the actual results for the fiscal year ended March 31, 1964. Comparative summaries of the interim statements (eight months' actual and four months' forecast) and the actual results for the fiscal year ended March 31, 1964, are appended to this report together with certain other statements and charts presenting information on the financial operations of the Province as detailed on pages 33-34 of this report.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL ORDINARY REVENUE
FOR THE FISCAL YEAR APRIL 1, 1963, TO MARCH 31, 1964**

DEPARTMENT	BUDGET ORDINARY REVENUE	NET ACTUAL ORDINARY REVENUE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture.....	\$ 2,317,000	\$ 2,162,013	\$ 1,131,162	\$ 154,987
Attorney General.....	9,732,000	10,863,162		
Economics and Development.....	4,000	3,771		229
Education.....	4,386,000	4,222,934		163,066
Energy Resources.....	259,000	242,394		16,606
Health.....	1,828,000	4,685,215	2,857,215	
Highways.....	1,769,000	1,938,399	169,399	
Insurance.....	657,000	745,798	88,798	
Labour.....	1,223,000	1,407,039	184,039	
Lands and Forests.....	22,190,000	22,584,170	394,170	
Mines.....	11,145,000	11,657,302	512,302	
Municipal Affairs.....	260,000	617,366	357,366	
Prime Minister.....		53	53	
Provincial Secretary and Citizenship.....	2,466,000	2,548,135	82,135	
Public Welfare.....		36,511	36,511	
Public Works.....	1,043,000	1,269,527	226,527	
Reform Institutions.....	824,000	832,301	8,301	
Transport.....	76,000,000	82,673,689	6,673,689	
Travel and Publicity.....	1,076,000	1,039,640		36,360
Treasury:				
Main Office—Subsidies.....	4,624,000	4,624,070	70	
Interest.....	75,000	72,633		2,367
Miscellaneous.....		18,466	18,466	
Ontario Racing Commission.....	127,000	116,427		10,573
Liquor Control Board of Ontario.....	94,000,000	97,100,000	3,100,000	
Public Utilities Tax.....	600,000	1,018,591	418,591	
Water Power Rentals.....	5,100,000	5,272,511	172,511	
Comptroller of Revenue—				
Income Tax.....	171,376,000	164,369,708		7,006,292
Corporations Tax.....	190,000,000	209,672,035	19,672,035	
Succession Duty.....	42,000,000	44,120,835	2,120,835	
Retail Sales Tax.....	180,000,000	186,534,521	6,534,521	
Gasoline Tax.....	176,000,000	183,684,694	7,684,694	
Motor Vehicle Fuel Tax.....	8,200,000	9,391,902	1,191,902	
Hospitals Tax.....	4,100,000	4,876,071	776,071	
Race Tracks Tax.....	7,000,000	7,998,120	998,120	
Security Transfer Tax.....	3,000,000	3,086,139	86,139	
Land Transfer Tax.....	3,700,000	4,474,930	774,930	
Logging Tax.....	2,400,000	3,174,605	774,605	
Miscellaneous.....		2	2	
Total for Treasury.....	\$ 892,302,000	\$ 929,606,260	\$44,323,492	\$7,019,232
	<u>\$ 1,029,481,000</u>	<u>\$ 1,079,135,679</u>	<u>\$57,045,159</u>	<u>\$7,390,480</u>

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL ORDINARY EXPENDITURE
FOR THE FISCAL YEAR APRIL 1, 1963, TO MARCH 31, 1964**

DEPARTMENT	BUDGET* ORDINARY EXPENDITURE	NET ACTUAL ORDINARY EXPENDITURE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture.....	\$ 18,863,000	\$ 18,504,747	\$	\$ 358,253
Attorney General.....	27,975,000	31,592,359	3,617,359	
Civil Service.....	922,000	855,342		66,658
Economics and Development.....	5,567,000	5,423,671		143,329
Education.....	389,011,000	381,041,328		7,969,672
Energy Resources.....	721,000	657,840		63,160
Health.....	136,730,000	122,025,920		14,704,080
Highways.....	82,500,000	81,579,733		920,267
Insurance.....	473,000	463,373		9,627
Labour.....	4,596,000	4,421,533		174,467
Lands and Forests.....	28,129,000	27,815,029		313,971
Lieutenant Governor.....	27,000	25,487		1,513
Mines.....	2,252,000	2,230,590		21,410
Municipal Affairs.....	44,387,000	44,954,733	567,733	
Prime Minister.....	194,000	198,319	4,319	
Provincial Auditor.....	520,000	530,167	10,167	
Provincial Secretary and Citizenship	3,970,000	4,074,376	104,376	
Public Welfare.....	61,830,000	60,690,004		1,139,996
Public Works.....	12,663,000	12,132,778		530,222
Reform Institutions.....	16,421,000	16,286,296		134,704
Transport.....	6,377,000	6,566,908	189,908	
Travel and Publicity.....	4,328,000	4,326,771		1,229
Treasury.....	17,874,000	18,401,868	527,868	
Stationery Account.....		142,780	142,780	
	<u>\$ 866,330,000</u>	<u>\$ 844,941,952</u>	<u>\$ 5,164,510</u>	<u>\$26,552,558</u>
Public Debt:				
Interest, etc.....	65,966,000	60,739,257		5,226,743
Provision for Sinking Fund.....	41,500,000	41,500,000		
Total Budget.....	<u>\$ 973,796,000</u>	<u>\$ 947,181,209</u>	<u>\$ 5,164,510</u>	<u>\$31,779,301</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	62,000,000	131,000,000	69,000,000	
	<u>\$ 1,035,796,000</u>	<u>\$ 1,078,181,209</u>	<u>\$74,164,510</u>	<u>\$31,779,301</u>

**COMPARATIVE SUMMARY
BUDGET AND ACTUAL ORDINARY REVENUE AND ORDINARY EXPENDITURE
FOR THE FISCAL YEAR APRIL 1, 1963, TO MARCH 31, 1964**

	BUDGET*	ACTUAL	ACTUAL TO BUDGET
Net Ordinary Revenue.....	<u>\$ 1,029,481,000</u>	<u>\$ 1,079,135,679</u>	<u>\$49,654,679</u>
Less: Net Ordinary Expenditure (before items below).....	<u>\$ 932,296,000</u>	<u>\$ 905,681,209</u>	<u>\$26,614,791</u>
Provision for Sinking Fund.....	41,500,000	41,500,000	
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	62,000,000	131,000,000	69,000,000
Net Ordinary Expenditure.....	<u>\$ 1,035,796,000</u>	<u>\$ 1,078,181,209</u>	<u>\$42,385,209</u>
Surplus.....	<u>\$ 6,315,000</u>	<u>\$ 954,470</u>	<u>\$ 7,269,470</u>

*Includes Supplementary Estimates.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL CAPITAL RECEIPTS
FOR THE FISCAL YEAR APRIL 1, 1963, TO MARCH 31, 1964**

DEPARTMENT	BUDGET CAPITAL RECEIPTS	NET ACTUAL CAPITAL RECEIPTS	ACTUAL TO BUDGET INCREASE	DECREASE
Economics and Development:				
Loans and Advances—				
The Housing Development Act...	\$ 1,470,000	\$ 2,496,472	\$1,026,472	\$
Education:				
Loans and Advances—				
Provincial Student-Aid Loans....	800,000	688,549		111,451
Energy Resources:				
Abandoned Works Fund—				
Fees.....		1,393	1,393	
Contract Security Deposits.....		5,000	5,000	
Highways:				
Sale of Land and Buildings.....	700,000	1,223,722	523,722	
Contract Security Deposits.....		26,474	26,474	
Miscellaneous.....	40,000	213,289	173,289	
Labour:				
Vacation-with-Pay Stamps.....	9,500,000	9,071,859		428,141
Contract Security Deposits.....		200	200	
Lands and Forests:				
Sale of Land.....	630,000	577,472		52,528
Logging Roads.....	200,000	62,585		137,415
Contract Security Deposits.....		1,550	1,550	
Mines:				
Sale of Mining Lands.....	25,000	102,347	77,347	
Deposit re Mining Tax under dispute		1,800	1,800	
Public Welfare:				
Old Age Assistance, etc.....		9,145	9,145	
Public Works:				
Sale of Land and Buildings, etc.....		65,222	65,222	
Contract Security Deposits.....		27,543	27,543	
Transport:				
Motor Vehicle Accident Claims Fund	8,050,000	7,246,759		803,241
Treasury:				
Appropriation from Ordinary				
Account—				
Provision for Sinking Fund.....	41,500,000	41,500,000		
Loans and Advances.....	8,072,000	6,692,547		1,379,453
Special Funds—				
Public Service Superannuation				
Fund.....	31,970,000	32,649,762	679,762	
Public Service Retirement Fund..	1,186,000	1,369,834	183,834	
Ontario Municipal Employees				
Retirement Fund.....		1,650,000	1,650,000	
Other.....	591,000	725,174	134,174	
Discount and Exchange on				
Debentures.....	1,735,000	1,796,778	61,778	
Other.....		10,640	10,640	
	<u>\$106,469,000</u>	<u>\$108,216,116</u>	<u>\$4,659,345</u>	<u>\$2,912,229</u>

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL CAPITAL DISBURSEMENTS
FOR THE FISCAL YEAR APRIL 1, 1963, TO MARCH 31, 1964**

DEPARTMENT	BUDGET	NET ACTUAL	ACTUAL TO BUDGET	
	CAPITAL DISBURSE- MENTS	CAPITAL DISBURSE- MENTS	INCREASE	DECREASE
Agriculture:				
The Co-operative Loans Act—Loans.....	\$ 600,000	\$ 780,754	\$ 180,754	\$
Economics and Development:				
The Housing Development Act.....	4,370,000	2,031,446		2,338,554
Education:				
Provincial Student-Aid Loans.....	3,000,000	2,916,191		83,809
Energy Resources:				
Assistance for Rural Power Transmission Lines.....	700,000	824,478	124,478	
Highways:				
Highway Construction.....	119,815,000	124,099,267	4,284,267	
Property Purchases.....	8,000,000	7,999,046		954
Development and Other Roads.....	12,150,000	11,716,599		433,401
Municipal Subsidies.....	52,500,000	55,072,180	2,572,180	
Contingencies.....	35,000	10,163		24,837
Labour:				
Vacation-with-Pay Stamps.....	9,500,000	9,341,249		158,751
Lands and Forests:				
Conservation Authorities—Grants.....	5,000,000	3,096,143		1,903,857
Access Roads.....	100,000			100,000
Logging Roads.....	200,000	62,585		137,415
Acquisition of Land.....	5,000,000	398,397		4,601,603
Mines:				
Mining and Access Roads.....	1,000,000	842,114		157,886
Municipal Affairs:				
Townsites—Investigation, Design, etc.....	300,000	21,948		278,052
Loans to Improvement Districts.....	830,000	760,000		70,000
Purchase of Debentures for Subway Pur- poses—The Municipality of Metropolitan Toronto.....	20,000,000	10,000,000		10,000,000
Ontario Water Resources Commission— Plant and Equipment.....	17,000,000	7,282,660		9,717,340
Public Welfare:				
Old Age Assistance, etc.....		9,582	9,582	
Public Works:				
Purchase of Property and Construction of Buildings.....	33,000,000	28,517,504		4,482,496
Dams, Docks and Locks.....	975,000	903,999		71,001
Transport:				
Motor Vehicle Accident Claims Fund.....	3,200,000	4,009,065	809,065	
Treasury:				
Tile Drainage Debentures.....	1,000,000	1,625,500	625,500	
The Ontario Municipal Improvement Cor- poration—Advances.....	1,500,000	2,446,000	946,000	
Registry Offices Surplus Fees.....	300,000	377,561	77,561	
Public Service Superannuation Fund.....	9,295,000	9,620,205	325,205	
Public Service Retirement Fund.....	1,075,000	1,133,172	58,172	
Legislative Assembly Retirement Allowances Account.....	10,000	62,049	52,049	
Queen Elizabeth II Ontario Scholarship Fund	25,000	27,300	2,300	
Refunds of Capital Receipts, prior years...	29,500,000	31,273,403	1,773,403	
The Ontario Junior Farmer Establishment Loan Corporation—Advances.....		1,500,000	1,500,000	
Government of Canada Repayment under Tax Rental Agreement 1952-56.....		1,008,716	1,008,716	
Other.....		37,704	37,704	
	<u>\$339,980,000</u>	<u>\$319,806,980</u>	<u>\$14,386,936</u>	<u>\$34,559,956</u>
Less: Financed out of Ordinary Revenue.....	62,000,000	131,000,000	69,000,000	
	<u>\$277,980,000</u>	<u>\$188,806,980</u>	<u>\$54,613,064</u>	<u>\$34,559,956</u>

Estimated gross expenditure for the year, shown on page 5 of the 1964 Estimates, was \$1,369,049,000. This amount does not include Supplementary Estimates of \$6,693,000 voted by the Legislature in March, 1964. Taking into account the Supplementary Estimates, the total estimates for the year amounted to \$1,375,742,000. The related actual gross expenditure was \$1,334,781,314, a net decrease of \$40,960,686.

In the Budget Statement presented by the Treasurer of Ontario on February 7, 1963, as shown in the Budget Forecast of Ordinary Expenditure on page 47, it was estimated that \$62,000,000 of Capital Disbursement would be financed out of Ordinary Revenue. The actual net revenue of the Province for the fiscal year ended March 31, 1964 permitted \$131,000,000 to be applied to this purpose, an increase of \$69,000,000 from the amount forecast.

The following analysis summarizes the decrease in gross actual expenditure from total estimated gross expenditure:

**ANALYSIS OF GROSS EXPENDITURE
FOR THE FISCAL YEAR ENDED MARCH 31, 1964**

CLASSIFICATION	TOTAL ESTIMATES	GROSS ACTUAL	GROSS ACTUAL OVER ESTIMATES	GROSS ACTUAL UNDER ESTIMATES
Ordinary—				
Voted—				
Main Estimates.....	\$ 847,986,000			
Supplementary Estimates..	6,693,000			
	<hr/>			
Statutory.....	\$ 854,679,000	\$ 831,246,240		\$ 23,432,760
Special Warrants.....	164,729,000	165,717,338	\$ 988,338	
		1,157,441	1,157,441	
Capital Disbursements financed out of Ordinary Revenue...	62,000,000	131,000,000	69,000,000	
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 1,081,408,000	\$ 1,129,121,019	\$ 71,145,779	\$ 23,432,760
Capital—				
Voted—				
Main Estimates.....	\$ 289,729,000	\$ 272,715,141		\$ 17,013,859
Statutory.....	66,605,000	63,945,154		2,659,846
	<hr/>	<hr/>		<hr/>
	\$ 356,334,000	\$ 336,660,295		\$ 19,673,705
Deduct—				
Capital Disbursements financed out of Ordinary Revenue.....	62,000,000	131,000,000	\$ 69,000,000	
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 294,334,000	\$ 205,660,295	\$ 69,000,000	\$ 19,673,705
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 1,375,742,000	\$ 1,334,781,314	\$ 2,145,779	\$ 43,106,465

**Summary of Net Increases or Decreases in Gross Actual as compared
with Total Estimates of Gross Expenditure**

CLASSIFICATION	INCREASE	DECREASE
Voted.....		\$40,446,619
Statutory.....		1,671,508
Special Warrants.....	\$1,157,441	
	<hr/>	<hr/>
	\$1,157,441	\$42,118,127

The net increases or decreases in gross actual as compared with total estimates of gross expenditure under the classification of voted, statutory and special warrants are commented on as follows:

VOTED

For the year ended March 31, 1964 the Legislative Assembly authorized expenditure appropriations in the amount of \$1,144,408,000. Of this amount \$854,679,000 was for ordinary account and \$289,729,000 for capital account. Actual gross expenditure charged to appropriations amounted to \$1,103,961,381 consisting of \$831,246,240 charged to ordinary account and \$272,715,141 charged to capital account. Thus the actual gross expenditure was \$40,446,619 less than the amount authorized. The major under-expenditures in this amount relate to contributions to the Hospital Services Commission of Ontario for the Hospital Care Insurance Plan \$13,700,000, construction of plant and equipment by the Ontario Water Resources Commission \$9,717,340, shared costs of education under various Dominion-Provincial Agreements \$6,464,626, acquisition of land to provide parks, etc. \$4,601,603 and construction of public buildings \$4,482,496.

Where actual expenditure exceeded the amount voted, a treasury board order was obtained in every case before the accounts were approved for payment. The total of such treasury board orders authorized during the year amounted to \$37,119,351, consisting of \$27,522,351 ordinary account and \$9,597,000 capital account. The related actual expenditures amounted to \$25,661,364, of which \$18,103,088 applied to ordinary account and \$7,558,276 to capital account. The total amount of treasury board orders issued during the year was in excess of the total actual expenditure by \$11,457,987. Included in this amount were treasury board orders totalling \$5,354,852 used for temporary financing during the fiscal year. These expenditures of \$25,661,364 form part of the total gross expenditure of \$1,103,961,381 referred to above and are not in addition thereto.

Details of treasury board orders issued and the amounts expended are shown on pages 57-68 of this report.

The total Gross Actual Voted Expenditure, which includes expenditures under treasury board orders as shown in the Analysis of Gross Expenditure, is less than the total Gross Estimates. The same situation exists with respect to Net Expenditure as shown in graphic form for the past ten years on pages 42-43 of this report.

STATUTORY

The Estimates presented for the year 1963-64 forecast gross statutory expenditure of \$231,334,000 of which \$164,729,000 was for ordinary account and \$66,605,000 for capital account. The actual gross statutory expenditure was \$229,662,492 consisting of \$165,717,338 ordinary expenditure and \$63,945,154 capital expenditure. Thus the actual gross statutory expenditure was \$1,671,508 less than the estimates. This difference arises mainly from an under-expenditure of \$10,000,000 in the purchase of debentures of The Municipality of Metropolitan Toronto for subway purposes, an over-expenditure of \$3,682,671 for Election expenses and a net over-expenditure of \$3,690,288 by the Treasury Department relating to Loans and Advances, Special Funds, Interest on Public Debt, etc.

SPECIAL WARRANTS

During the year ended March 31, 1964, Special Warrants were authorized under subsection 1, section 29, of The Financial Administration Act in the amount of \$1,216,573 with actual expenditures relative thereto amounting to \$1,157,441. The total amount of the actual expenditures under Special Warrants exceeded those of the preceding year by \$637,537.

Details of Special Warrants issued and the amounts expended under this authority will be found on pages 69-70 of this report.

**PRINCIPAL ITEMS OF NET ORDINARY REVENUE AND EXPENDITURE
FOR THE FISCAL YEAR ENDED MARCH 31, 1964**

An analysis of net ordinary revenue and expenditure for the fiscal year ended March 31, 1964 showing the percentage of each item to the total, classified by major categories, is presented in the following statement:

NET ORDINARY REVENUE

		%
Corporations Tax.....	\$ 209,672,035	19.43
Retail Sales Tax.....	186,534,521	17.29
Gasoline Tax.....	183,649,850	17.02
Income Tax.....	164,369,708	15.23
Liquor Profits, Gallonage Tax, etc.....	97,100,000	9.00
Motor Vehicle Permits and Licenses, Fees, etc.....	82,511,778	7.65
Succession Duty.....	44,120,835	4.09
Timber Dues, Bonus, etc.....	13,335,637	1.24
Mines Profits Tax.....	10,362,297	.96
Motor Vehicle Fuel Tax.....	9,390,231	.87
Inspector of Legal Offices—Fees, Fines, etc.....	8,792,224	.81
Race Tracks Tax.....	7,998,120	.74
Fish and Wildlife Licenses, Royalties, etc.....	5,598,081	.52
Water Power Rentals.....	5,272,511	.49
Hospitals Tax.....	4,874,552	.45
Government of Canada—Annual Subsidies.....	4,624,070	.43
Land Transfer Tax.....	4,474,931	.41
Logging Tax.....	3,174,605	.29
Security Transfer Tax.....	3,086,140	.28
All other revenue.....	30,193,553	2.80
	\$1,079,135,679	100.00

NET ORDINARY EXPENDITURE

		%
Education.....	\$ 381,041,328	35.34
Health Services.....	122,025,920	11.32
Public Debt—		
Interest, etc.....	\$60,739,257	
Provision for Sinking Fund.....	41,500,000	
	102,239,257	9.48
Highways and Roads.....	81,579,733	7.57
Public Welfare.....	60,690,004	5.63
Municipal Affairs—Grants to Municipalities.....	38,227,552	3.55
Law Enforcement.....	31,592,359	2.93
Conservation of Forests, Fish and Wildlife.....	27,815,029	2.58
Agricultural Services, Grants, etc.....	18,504,747	1.72
Reform Institutions.....	16,286,296	1.51
Public Buildings, Maintenance and Repairs, etc.....	12,132,778	1.12
All other expenditures.....	55,046,206	5.10
	\$ 947,181,209	87.85
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	131,000,000	12.15
	\$1,078,181,209	100.00

Several of the major items of net ordinary revenue and of net ordinary expenditure, compared for the five years ended March 31, 1964, are presented in graphic form on pages 38-41 of this report.

GENERAL

As shown by the analysis on the previous page the total net ordinary revenue of the Province for the year ended March 31, 1964 was \$1,079,135,679. The chief sources of revenue were corporations tax, retail sales tax, gasoline tax, individual income tax, liquor control revenues, motor vehicle licenses and fees and succession duty. These seven items provided \$967,958,727 or approximately ninety percent of the total net ordinary revenue of the Province. This is an increase of \$80,354,169 over the previous year when an amount of \$887,604,558 was collected from the same sources. The remaining sources of revenue while producing smaller individual amounts have, nevertheless, an important place in the operations of the Province.

The total net ordinary expenditure for the year under review was \$1,078,181,209. The main items in this amount, excluding capital disbursements financed out of ordinary revenue of \$131,000,000, were the costs for education, health services, public debt charges including provision for sinking fund, highways, and welfare services. The expenditure for these five items was \$747,576,242 or approximately seventy percent of the total net ordinary expenditure for the year. This is an increase of \$23,038,908 over the cost of the related items for the preceding year. The balance of net ordinary expenditure for the year of \$330,604,967 is the total of all other costs of operations. The items making up this balance, although not as large as those mentioned above, serve vital functions in the overall programme of the Province.

I refer hereunder to some of the larger items of revenue and expenditures and other matters relating to the operations for the year ended March 31, 1964.

In 1961 the Federal Government passed legislation to withdraw from the personal income tax field for a five-year period to the extent of 16% in 1962 and by an additional 1% in subsequent years to a total of 20% in 1966. The Province of Ontario took up this abatement under The Income Tax Act, 1961-62. Under federal legislation passed in 1964 the rate became 21% for the 1965 taxation year and 24% for the 1966 taxation year. It is understood that the necessary amendments will be made to the Ontario Act at the 1965 spring session of the Legislature so as to take advantage of the above changes in the federal Act.

During the year a repayment of \$1,008,716 was made to the Government of Canada under the terms of the Canada-Ontario Tax Rental Agreement, 1952-56. This payment relates to the excess of actual over estimated succession duty credits allowed by the Federal Department of National Revenue during the period from April 1, 1962 to March 31, 1963 with respect to estates of persons whose death occurred during the five years between April 1, 1952 and March 31, 1957. As the payment adjusts accounts of prior years, it has been charged to Surplus Account.

The expenditure for Education amounted to \$381,041,328 which was an increase of \$32,673,354 over the year 1962-63. As in the previous year this expenditure accounted for approximately 35% of the total net ordinary expenditure of the Province.

Gross capital disbursements of \$198,897,256 on King's Highways, Development Roads and Municipal Road Subsidies, etc., were made during the year by the Department of Highways. This amount is an increase of \$26,528,758 over 1962-63. In addition, \$842,114 was spent on Mining and Access Roads by the Department of Mines and \$62,584 was spent on Logging Roads by the Department of Lands and Forests.

Capital disbursements were made to The Hydro-Electric Power Commission of Ontario in the amount of \$824,478 to assist in rural electrification projects. This is a decrease of \$96,806 when compared with payments made in 1962-63.

Provincial Land and Buildings have been added to during the year by gross capital disbursements of \$28,517,504. General Works and Improvements were increased by gross capital disbursements of \$4,022,090.

A provision for Sinking Fund in the amount of \$41,500,000 was made through ordinary account.

The Province contributed \$10,373,242 to the Public Service Superannuation Fund and \$19,838,860 to the Teachers' Superannuation Fund in accordance with the statutory requirements. In addition, the Province made a special contribution of \$1,000,000 to each Fund to apply on the actuarial deficits shown by the valuations of the respective Funds.

An actuarial valuation of the Public Service Superannuation Fund as at March 31, 1962 has been completed by the actuary, Professor N. E. Sheppard, M.A., of the University of Toronto and was submitted to the Honourable James N. Allan, Treasurer of the Province of Ontario, on March 16, 1964. The Valuation Balance Sheet shows a deficit of \$74,102,000 as at March 31, 1962. The previous valuation made as at March 31, 1952 disclosed a corresponding deficit of \$46,220,000. Thus the deficit at the end of the ten-year period increased by \$27,882,000. The actuary states that the most important fact contributing to the increase in the deficit has been the general increases in pay which occurred over the decade ending March 31, 1962. The actuary points out that in order to keep the (computed) \$74,102,000 deficit disclosed as at March 31, 1962 from growing, the Fund should receive, as a minimum, interest at 5% on \$74,102,000 or \$3,705,100 each year. The actuary further states that to amortize the \$74,102,000 deficit over a period of 25 years would require an annual payment of \$5,257,700.

It is evident from the actuary's report as at March 31, 1962 and from former reports that the situation is serious both with respect to the amount of the deficit and the fact that it is increasing each year. I would recommend that immediate arrangements be made to correct the unfavourable trend in the Fund. It is suggested that a definite programme be adopted of providing in the annual budget the necessary contribution which would fund the deficit over a reasonable number of years.

The most recent actuarial valuation of the Teachers' Superannuation Fund was made as at December 31, 1961 and was reported upon by the actuary, Professor N. E. Sheppard, M.A., of the University of Toronto on September 16, 1963. As at December 31, 1961 the actuarial deficit of this Fund was calculated

to amount to \$292,763,000. In the Provincial Auditor's report of November 29, 1963 comments were made regarding the rapid deterioration taking place in the Fund when it was pointed out that the actuarial deficit had increased by 43.6% from 1958 to 1961. It is apparent that immediate steps should be taken to place this Fund on a sound actuarial basis.

The special contribution of \$1,000,000 to each Fund referred to on page 16 was a special contribution from the Province to reduce the amounts by which the estimated actuarial liabilities exceed the assets of the respective Funds. Similar contributions have been made to the Teachers' Superannuation Fund each year since 1952 and to the Public Service Superannuation Fund each year since 1954. While these special contributions have been a valuable addition, they have not been sufficient to keep the deficits from increasing. As mentioned previously, provision should be made to correct this trend as the present practice relieves the expenditure of the current year at the expense of the expenditure of future years.

During the Session of the Legislature which commenced on October 29, 1963 and was reconvened on January 15, 1964, a Standing Committee on Public Accounts was established which held sixteen meetings and examined the following subjects:

1. The responsibilities of the Provincial Auditor.
2. The Treasury Board.
3. Management of Debt and Cash Flow.
4. The 1962-63 expenditures of the Department of Education as set out in the Public Accounts.

I attended before the Committee during their deliberations on the responsibilities of the Provincial Auditor and I was present at subsequent meetings at the request of the Chairman. I did not, however, attend the meetings at which the report of the Committee was drafted. The open meetings of the Committee provided a new and effective means for a study in depth of the financial operations of government by the Legislature through the device of a Standing Committee of the House. Judging by the good attendance and the lively interest exhibited by the members of the Committee, it would appear that this approach was well received. The report of the Committee was tabled in the House on the 7th day of May, 1964, and strongly recommended that a similar treatment be accorded to the problem of government expenditure in 1965. With this I concur.

AUDIT OF REVENUE

As in previous years a continuous audit of the revenues of the Province is being maintained. Systematic examinations of the revenue records of various Departments have been made during the year in accordance with generally accepted auditing principles applicable in the circumstances and included all procedures considered necessary.

The accuracy and reliability of the accounting records of the Departments depend upon the existence and maintenance of efficient accounting systems and internal controls. It is therefore standard practice to analyze the existing accounting systems and examine the methods followed in the various Departments in order to evaluate the effectiveness of the internal controls.

Audit reports on the various examinations have been prepared as required in each case and submitted to the Ministers of the Departments concerned and to officials of Boards and Commissions where applicable. The information derived as a result of these examinations is most important in assessing the reliability of the accounting process and enables me to be of the opinion that a full accounting is being made of the revenue of the Province.

A considerable proportion of the revenue of the Province is derived from various fees, permits, perquisites and licenses apart from Motor Vehicle Permits and Licenses. In some cases it is not reasonable to expect to recover the full cost of the service; nevertheless constant vigilance should be maintained to ensure that a fair return is received in relation to the cost for services rendered and privileges granted. The cost of providing such services has been steadily rising over the past number of years but not all fees and charges fixed by statutes and regulations have been increased accordingly. I would again recommend that these various charges be reviewed periodically and compared with the related cost of administration to see whether any substantial revisions are needed. The responsibility for reviewing the various fees charged by the Province rests with the Comptroller of Revenue as directed by the Treasurer.

AUDIT OF EXPENDITURE

A continuous audit of expenditures of the Province was maintained during the fiscal year ended March 31, 1964 in accordance with the requirements of The Audit Act.

Under authority of section 9 of The Audit Act, certain expenditure vouchers, after determining that they had been examined and certified correct by the department concerned and having regard to the character of the departmental examination, were admitted as satisfactory. In these instances extensive tests were made of representative transactions. The extent of the tests was determined in the light of experience and by the efficiency of the accounting and internal control systems of the departments concerned.

Attention is directed to the financial position of the Ontario Northland Transportation Commission. The operations of the Commission resulted in a loss of \$858,128 for the year ended December 31, 1963 as compared to a profit of \$349,848 in 1962, and the present indications are that a substantial loss will result in 1964. The commercial communications system of the railroad, as in the past number of years, operated at a profit but this was more than offset by losses in other railroad operations. The operations of Star Transfer Limited, a wholly-owned subsidiary, continued to be favourable and resulted in a profit of \$180,533 for the year ended December 31, 1963. The Star Transfer Limited has not declared any dividends as all its available funds were required for working capital and therefore the Commission has not received any income from this source prior to December 31, 1963.

In connection with the financial position of The Ontario Junior Farmer Establishment Loan Corporation, I would point out that this Crown corporation has operated at a loss for the past seven years and had, at March 31, 1964, an accumulated deficit of \$1,010,431. This condition is due to the interest rates on much of the money borrowed being in excess of the rates charged on the mortgages presently outstanding. Although the rate charged currently on new mortgage loans has been increased it is not expected that the revenue of the Corporation will be sufficient to meet the cost of borrowed funds.

Referring to the two agencies mentioned above the Provincial Auditor in his report of 1959-60 stated "in future it may be necessary to provide appropriations covering situations of this nature in order that the Public Accounts may reflect accurately the overall picture of government operations". In view of the financial situation that now exists in both these agencies I would recommend that annual appropriations be provided to cover any losses sustained and that the deficit of The Ontario Junior Farmer Establishment Loan Corporation be absorbed.

From time to time a review is carried out of the current procedures followed in the Department of Education for the processing of General Legislative Grants. The regulations and the related forms governing the 1964 grants continue the general pattern followed in recent years whereby the grant calculation formula tends to become more and more complex.

In my opinion a study should be made of the current regulations which authorize payment of General Legislative Grants. The object of such a study should be to determine if possible a more simplified grant formula so as to permit a ready comprehension by school boards and other interested persons of the procedures and calculations involved. In the case of school boards it is desirable that they should, in each instance make the calculation of their own grants subject to verification and acceptance by the Department of Education. Where such a large amount of money is involved, procedures should be developed to simplify the task of computing grants and thus minimize the chance of errors in calculation.

The fidelity insurance now maintained by the Province is carried on civil servants in positions of trust with coverage also provided for certain license issuers acting for the Department of Lands and Forests and the Department of Transport, who for the most part are not civil servants. In addition, coverage is arranged for by the Inspector of Legal Offices on certain court and other officials. It is understood that, in the past ten years, there have been very few claims made on the Surety Company concerning civil servants.

Premiums presently paid by the Province are in the neighbourhood of \$33,000 annually and a great amount of administrative work is required in arranging for required coverage and maintaining records. It is recommended that a study be conducted of the present system of providing fidelity insurance to see if a system of blanket coverage for civil servants might be advantageous to eliminate administrative overhead and possible losses due to incomplete coverage. In view of the small number of claims made in recent years consideration might be given to a policy whereby the Province would carry a fidelity insurance fund of its own for civil servants for reasons of efficiency and economy but continue with Surety Companies where fidelity coverage is required for other persons who act as license issuers at various points in the Province.

BALANCE SHEET

The balance sheet of the Province does not include as an asset the value of Crown timber, mineral wealth and surface value of Crown lands, water power, fish, game and fur.

The balance sheet does not include the accounts of a number of Boards and Commissions and other Crown Instrumentalities created by legislative enactment. These bodies are mostly on a self-supporting basis.

A condensed balance sheet follows, showing the assets and liabilities of the Province of Ontario as at March 31, 1964.

PROVINCE OF ONTARIO
CONDENSED BALANCE SHEET
AS AT MARCH 31, 1964

ASSETS

Cash on Hand and in Banks.....	\$ 72,861,467
Temporary Investments.....	50,089,945
Loans and Advances.....	590,268,247
Government of Canada:	
Debt Account and Common School Fund.....	4,300,955
Highways, Buildings, etc.....	2,523,734,506
The Liquor Control Board of Ontario—Investment.....	24,787,611
Other Loans and Advances.....	290,838
Discount and Exchange on Debentures (less amount amortized).....	14,354,371
Accounts Receivable (less Reserve).....	18,032,303
Accrued Interest on Advances secured by bonds.....	2,925,558
Interest Receivable (less Reserve).....	412,000
Equipment, Stores and Materials (less Reserve).....	12,423,437
	<u>\$ 3,314,481,238</u>

LIABILITIES

Funded Debt (less sinking fund—\$161,941,359).....	\$ 1,722,378,641
Unfunded Debt.....	335,585,166
Accounts Payable.....	1,649,212
Accrued Interest on Funded Debt.....	23,826,705
	<u>\$ 2,083,439,724</u>
Reserves.....	8,693,211
Surplus.....	1,222,348,303
	<u>\$3,314,481,238</u>
Contingent Liabilities:	
Bonds, etc., Guaranteed by the Province.....	<u>\$1,717,267,414</u>

I report hereunder on certain of the assets and liabilities as shown on the balance sheet of the Province as at March 31, 1964, which appears in the Public Accounts for 1963-64 on pages 6-7.

ASSETS

CASH ON HAND AND IN BANKS—\$72,861,467

Cash in Chartered Banks.....	\$70,402,697
Province of Ontario Savings Office.....	2,458,770
	<u>\$72,861,467</u>

The balances in chartered banks for the account of the Treasurer of Ontario were verified by reconciliation with letters of confirmation received direct from the depositaries. It was necessary to take into account a balance sheet adjustment to segregate sinking fund moneys on deposit with the Treasurer of Ontario from other Provincial moneys on deposit at March 31, 1964.

Cash on hand in the various branches of the Province of Ontario Savings Office was certified by the respective branch managers and the cash on deposit in chartered banks has been confirmed by direct correspondence with the banks concerned. The various branches of the Savings Office were examined by Head Office inspectors during the year without advance notice being given to the personnel of the branches visited.

TEMPORARY INVESTMENTS—\$50,089,945

	<i>Par Value</i>
Government of Canada—	
Direct and Guaranteed Securities, etc.....	\$33,015,000
Treasury Bills.....	7,563,000
Provinces of Canada—	
Direct and Guaranteed Securities.....	4,710,500
Treasury Bills and Notes.....	2,575,000
	<u>\$47,863,500</u>
Subject to repurchase agreements at.....	\$46,627,500
Province of Manitoba Treasury Bills.....	1,978,660
Province of Saskatchewan Treasury Bills.....	1,483,785
	<u>\$50,089,945</u>

Temporary investments have been made for the purpose of making the most efficient use of funds temporarily surplus to current requirements and were made under authority of section 20 of The Financial Administration Act. When investments are made subject to repurchase agreements the vendors of the securities contract to pay interest at an agreed rate and to buy back the securities at a fixed date at the amount paid by the Province. Any time prior to the fixed date, the securities may be exchanged for others acceptable to the Province. Securities held by the Securities Branch of the Treasury Department for temporary investment at March 31, 1964, were verified by actual count.

LOANS AND ADVANCES—\$590,268,247

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—SECURED BY BONDS—\$336,798,000

No new advances were made to the Commission during the fiscal year, and repayment of \$2,504,000 was received by the Province. Upon receipt of this payment, bonds of the Commission held as security were released in an equivalent amount.

Bonds of the Commission in the amount of \$336,798,000 held for safe-keeping in the Securities Branch of the Treasury Department at March 31, 1964 were verified by physical examination and count.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—UNSECURED—\$10,467,466

Funds borrowed by the Commission under The Power Commission Act during the period from 1909 to 1934 were in some instances obtained from the proceeds of certain Provincial debenture issues. As the related issues mature, the Commission repays the amount previously advanced. During the year under review the Commission repaid \$1,528,712 leaving a balance of unsecured advances of \$10,467,466 as at March 31, 1964. The Commission also pays the required interest and service charges with respect to its share of the Provincial debenture issues concerned.

The schedule below indicates the amount of future repayments from the Commission:

YEAR ENDED	AMOUNT
March 31, 1965.....	\$ 1,592,934
1966.....	1,659,670
1967.....	1,729,504
1968.....	1,414,789
1969.....	1,474,479
1970.....	1,072,860
1971.....	1,119,358
1972.....	403,872
	<u>\$10,467,466</u>

ONTARIO NORTHLAND TRANSPORTATION COMMISSION—\$30,207,935

There has been no change in this account since 1937. The advances were made to the Commission to provide funds for construction and equipment. By Order in Council dated April 22, 1936, the loan was made non-interest bearing.

HOUSING CORPORATION LIMITED—INVESTMENTS—\$1,649,614

The investments under this heading are comprised of the assets of the Housing Corporation Limited as at March 31, 1964. During the year these assets have decreased by \$487,774. This is due mainly to repayment of principal on mortgage loans in the amount of \$463,708 and the application of the related funds to the reduction of the outstanding bank loan of the Corporation. The Reserve for Mortgage Loans, Principal and Interest was reduced by \$7,085 due to a loss on operations resulting from interest at $3\frac{1}{2}\%$ earned on mortgage loans being insufficient to meet the bank interest on borrowed funds and bank collection charges on mortgage repayments.

Housing Corporation Limited was incorporated in May, 1948, under a Provincial Charter with nominal share capital, all of which is owned by the Province of Ontario. The purpose of the Corporation was to assist in the financing of new, low-cost houses in Ontario by loaning money on the security of second mortgages. In the latter part of 1949 the Government of Canada expanded its facilities in this field, and Housing Corporation Limited discontinued the receiving of applications for loans as of December, 1949.

The Corporation made loans on 14,695 applications, of which 4,269, in the amount of \$1,631,500, were in the course of repayment at March 31, 1964. During the fiscal year 449 loans were retired. No confirmation of mortgages was obtained from the mortgagors concerned.

The Corporation financed its operations by bank demand loan secured by promissory notes guaranteed by the Province of Ontario under authority of The Housing Development Act. As at March 31, 1964 the Corporation had a bank demand loan in the amount of \$870,000 bearing interest at $5\frac{3}{4}\%$.

The general administrative expenses of Housing Corporation Limited have been paid by the Province of Ontario under authority of The Housing Development Act, and the Corporation has applied its revenue toward the payment of bank interest and bank collection charges on mortgage repayments. In the early years of operations the interest revenues were more than sufficient to meet the cost of borrowed money but in each of the last seven years a deficit in operations has resulted due to the rise in the cost of borrowed money. The deficits were as follows:

YEAR ENDED	AMOUNT
March 31, 1958.....	\$24,030
1959.....	3,087
1960.....	35,019
1961.....	41,238
1962.....	25,863
1963.....	17,759
1964.....	7,085

The assets and liabilities of Housing Corporation Limited have been included in the balance sheet of the Province. The balance sheet of Housing Corporation Limited is shown separately in the Public Accounts for 1963-64 on page 64.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN CORPORATION—

INVESTMENTS—\$20,930,126

The assets of The Ontario Junior Farmer Establishment Loan Corporation have increased during the year by \$1,204,563. This is due mainly to a net increase in Mortgage Loans Principal of \$1,521,467 and a decrease of \$281,571 in Discount on Debentures unamortized. As at March 31, 1964 the Corporation had 3,014 loans receivable in the amount of \$19,718,440 secured by first mortgages. This is comprised of 2,645 mortgages bearing interest at 4%, 23 at $4\frac{1}{2}\%$, 345 at 5% and 1 at 6%. The accrued interest relating to these mortgages amounted to \$442,993 as at March 31, 1964. No confirmation of mortgages was obtained from the mortgagors concerned.

The deficit account of the Corporation has increased during the year by \$206,883 and now totals \$1,010,431. The capital advance from the Treasurer of Ontario was increased during the year by \$1,300,000.

The Ontario Junior Farmer Establishment Loan Corporation was incorporated without share capital by The Junior Farmer Establishment Act in April, 1952. The purpose of the Corporation was to make loans to assist young qualified farmers in the establishment, development and operation of their farms. The Act was amended in 1962-63 expanding the terms and conditions under which loans may be granted, such as extending the repayment periods, making loans available on family farms and incorporated farms where a junior farmer is a participant, and increasing the interest rate to 5% on the loans. The amendments also provided for the guarantee of bank loans to a junior farmer.

The cost of administration of the Corporation has been paid by the Province of Ontario under the authority of The Junior Farmer Establishment Act and the Corporation has applied its interest revenue toward the payment of interest on borrowed funds and amortization of discount on debentures. The operations for the last seven years have resulted in a deficit due to the interest revenue not being sufficient to meet the cost of borrowed money. The deficits are shown below:

YEAR ENDED	AMOUNT
March 31, 1958.....	\$ 79,699
1959.....	72,083
1960.....	193,648
1961.....	274,437
1962.....	255,808
1963.....	243,833
1964.....	206,883

The assets and liabilities of The Ontario Junior Farmer Establishment Loan Corporation have been included in the balance sheet of the Province. The balance sheet of The Ontario Junior Farmer Establishment Loan Corporation is shown separately in the Public Accounts for 1963-64 on page 65.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

INVESTMENTS—\$54,173,501

The Ontario Municipal Improvement Corporation was incorporated without share capital by a special Act in 1950. The purpose of the Corporation is to purchase debentures of Ontario Municipalities and School Boards issued for certain municipal works and undertakings.

As at March 31, 1964, the Corporation held debentures of Ontario Municipalities and School Boards having a par value of \$51,279,028 and bearing interest at various rates from 3½% to 7%. The related book value was \$51,217,750. The latter amount together with accrued interest receivable of \$1,144,012, cash in bank of \$1,507,514 and net discount on debentures issued of \$304,225 make up the investment of the Province of \$54,173,501.

The assets of the Corporation decreased during the year by an amount of \$1,740,630. The decrease is due mainly to a net decrease in Ontario Municipal and School Board debentures of \$1,544,957, a decrease in cash in bank of \$111,864 and a decrease of \$64,880 in discount on debentures issued.

The Ontario Municipal Improvement Corporation has financed its operations by issuing debentures guaranteed by the Province of Ontario and by advances from the Treasurer of Ontario. During the year debentures of the Corporation

matured in the amount of \$4,800,000 and the advance from the Treasurer of Ontario increased by \$2,446,000.

The administrative costs of the Corporation have been paid by the Province of Ontario under authority of The Ontario Municipal Improvement Corporation Act and the Corporation has applied its interest revenue to the payment of interest on borrowed money. Since the inception of the Corporation in 1950 the operations have resulted in a profit each year, and for the year ended March 31, 1964 the profit amounted to \$673,269 as shown by the statement of revenue and expenditure in the Public Accounts for 1963-64 on page 68.

The assets and liabilities of The Ontario Municipal Improvement Corporation are shown separately in the Public Accounts for 1963-64 on page 67.

A schedule of debentures of Ontario Municipalities and School Boards held by The Ontario Municipal Improvement Corporation as at March 31, 1964 is presented on pages 45-53 of this report. These debentures were verified by physical examination and count as at March 31, 1964 and are held in safe-keeping by the Securities Branch of the Treasury Department.

THE HOUSING DEVELOPMENT ACT—ADVANCES—\$14,312,809

Under authority of The Housing Development Act the above advances have been made in connection with joint housing projects which are controlled by the Government of Canada and the Province of Ontario acting in partnership to provide housing accommodation in Ontario.

During the year advances were made in the amount of \$2,031,446. In the same period an amount of \$2,496,472 was received and applied as a reduction of the advances pending any subsequent adjustments which may be necessary upon the completion of the individual projects.

ONTARIO WATER RESOURCES COMMISSION—ADVANCES—\$68,583,843

This Commission was created under authority of The Ontario Water Resources Commission Act, 1956, for the purpose of assisting municipalities in Ontario in financing the development of water supply systems or sewage treatment and pollution abatement works. Projects undertaken must be self-liquidating, producing over a reasonable period of time sufficient revenue to pay operating costs, interest charges and debt retirement.

The advances were increased during the year ended March 31, 1964 by a net amount of \$7,219,543 which includes net interest charges of \$581,609 calculated to December 31, 1963 and a write-off to Surplus Account of interest in the amount of \$63,117.

PROVINCIAL STUDENT-AID LOANS—\$8,229,818

By an amendment to The Department of Education Act in 1958, the Provincial Student-Aid Loan Fund was established to provide loans to students of ability who need financial assistance to continue their education beyond the secondary school level. The loans are repayable with interest at 4 per cent per annum commencing on the first day of April in the year following the student's graduation or withdrawal.

As at March 31, 1964 there were 13,500 loans receivable in the amount of \$8,229,819. During the year 6,606 loans were made for a total of \$2,916,191. These loans were comprised of 4,295 new loans to students who had not previously received a loan and 2,311 additional loans to students who had already received a loan. In the same year repayments of \$688,549 were received.

MUNICIPALITIES, ETC.—\$44,915,135

The Co-operative Loans Act—Loans.....	\$ 3,478,210	
Tile Drainage Debentures.....	6,395,510	
Municipal Debentures—		
The Municipality of Metropolitan Toronto.....	19,859,000	
Improvement District of Elliot Lake.....	2,900,900	
City of Windsor.....	925,556	
Improvement District of Manitowadge.....	815,100	
Town of Atikokan.....	41,000	
Village of West Lorne.....	15,735	
Sandwich, Windsor and Amherstburg Railway Company—Bonds		
2% Maturing June 30, 1964-77.....	\$ 700,000	
3% Maturing April 1, 1980.....	2,100,000	
		2,800,000
The Sault Ste. Marie Bridge Act, 1960—		
The International Transit Company Limited....	\$ 42,000	
International Bridge Authority of Michigan....	7,615,072	
St. Mary's River Bridge Company.....	1,370	
		7,658,442
Miscellaneous.....		25,682
		<u>\$44,915,135</u>

During the year ended March 31, 1964, loans under The Co-operative Loans Act were increased by a net amount of \$474,950. In the same period Tile Drainage debentures were purchased in the amount of \$1,625,500 and proceeds from retirements of \$824,037 were received leaving a net increase of \$801,463 in the account. Debentures of The Municipality of Metropolitan Toronto issued for subway purposes in the amount of \$10,000,000 were purchased and \$141,000 were redeemed by the Municipality leaving debentures held by the Province of \$19,859,000 at March 31, 1964. The City of Windsor redeemed \$62,784 of its debentures at various dates during the year and the Sandwich, Windsor and Amherstburg Railway Company met a maturity of \$50,000. Loans to the Improvement District of Elliot Lake were reduced by a net amount of \$307,500 and Loans to the Improvement District of Manitowadge were increased by a net amount of \$18,000.

The Tile Drainage debentures are held in safekeeping by the Canadian Imperial Bank of Commerce and were confirmed as at March 31, 1964 by a test examination carried out at the premises of the Bank. The various municipal debentures and bonds are held in safekeeping by the Securities Branch of the Treasury Department and were confirmed by actual count as at March 31, 1964 together with the shares of the St. Mary's River Bridge Company, the International Transit Company and the bonds of the International Bridge Authority of Michigan.

GOVERNMENT OF CANADA—\$4,300,955

DEBT ACCOUNT—\$2,848,290

Under the B.N.A. Act, 1867, the Government of Canada assumed the debt of the old Province of Canada (Ontario and Quebec). Interest at the rate of 5% per annum was to be paid to the Government of Canada by Ontario and

Quebec on any debt in excess of \$62,500,000. The excess debt was apportioned five-ninths to Ontario and four-ninths to Quebec.

For five and one-half years, from July 1, 1867 to January 1, 1873, the Government of Canada, when paying subsidy based on population, withheld interest at 5% per annum on the debt in excess of \$62,500,000. In the case of Ontario this amounted to \$291,667 annually and represented interest on \$5,833,333.

Under 36 Victoria, Cap. 30, 1873, the excess debt of Ontario and Quebec was deemed to be properly assumed by the Government of Canada. Commencing July 1, 1873 the Provinces of Ontario and Quebec received full subsidy, based on population, free from any interest deductions for excess debt.

In 1884 under 47 Victoria, Cap. 4, an adjustment was made in the annual subsidy to compensate the Province of Ontario for the interest on the excess of debt which had been withheld during the five and one-half years from July 1, 1867 to January 1, 1873. The amounts withheld, together with interest to July 1, 1884 were, in effect, capitalized and on this figure of \$2,848,290 the Government of Canada pays Ontario interest at the rate of 5% per annum. This interest is paid semi-annually on January 1, and July 1, each year and has been received for the year ended March 31, 1964 in the amount of \$142,414.

COMMON SCHOOL FUND—\$1,452,665

This amount represents the present interest of Ontario in a permanent fund of \$2,677,771 held in trust by the Government of Canada for the Provinces of Ontario and Quebec. The fund is derived from the sale of Crown lands set aside for the benefit of common schools by statutes enacted before Confederation. The total has not changed since March 31, 1942. The Government of Canada pays interest to the Provinces on the principal sum at the rate of 5% per annum, payable semi-annually, in proportion to their respective populations as determined by the most recent decennial census. The present basis for allocation is the census of 1961. Interest in the amount of \$72,633 has been received for the year ended March 31, 1964.

HIGHWAYS, BUILDINGS, ETC.—\$2,523,734,506

Highways and Roads—Capital Disbursements.....	\$2,144,039,562	
Less—Capital Disbursements to October 31, 1934, written off.....	206,486,612	\$1,937,552,950
	<hr/>	
Rural Power Transmission Lines Bonus 1927-64.....	\$ 115,886,705	
Less—Capital Disbursements to October 31, 1934, written off.....	7,308,243	
	<hr/>	108,578,462
Land, Buildings, Public Works, etc.....		460,814,055
The Niagara Parks Commission—Surplus of Assets (October 31, 1963)...		7,586,906
The Ontario-St. Lawrence Development Commission—Surplus of Assets		9,202,133
		<hr/>
		<u>\$2,523,734,506</u>

The investment in Highways and Roads was increased during the year by a net amount of \$198,302,359. This represents capital disbursements of \$198,897,256 on highways and \$842,114 on mining roads less capital receipts of \$1,437,011 applied to highways. The accumulated capital disbursements to date, less amounts written off, amount to \$1,937,552,950.

Highways and Roads built prior to October 31, 1934 have been substantially replaced or reconstructed to such an extent that the original cost is now considered to have little value and should be written off. Capital Disbursements for Highways, made prior to October 31, 1933 in the amount of \$188,111,502, have been written off in prior years and charged to Surplus Account and in the current year a further amount of \$18,375,110, being Highway Capital Disbursements for the fiscal year ended October 31, 1934, has been written off. These two amounts totalling \$206,486,612 when deducted from total disbursements leave a net book value at March 31, 1964 of \$1,937,552,950.

During the year a bonus of \$824,478 was paid for Rural Primary and Secondary Lines under The Rural Hydro-Electric Distribution Act bringing the accumulated capital disbursements for Rural Power Transmission Lines to \$115,886,705 as at March 31, 1964. The Rural Power Transmission Lines constructed prior to October 31, 1934 have been substantially reconstructed or replaced and therefore it has been deemed advisable to write off the bonuses paid prior to October 31, 1934. Accordingly capital disbursements made prior to October 31, 1933 in the amount of \$7,016,243 have been written off in previous years and charged to Surplus Account and in the current year a further amount of \$292,000, being Rural Power Transmission Bonus for the fiscal year ended October 31, 1934, has been written off. These two amounts totalling \$7,308,243 when deducted from the total accumulated capital disbursements leave a book value at March 31, 1964 of \$108,578,462.

The investment in Land, Buildings, Public Works, etc., was increased during the year by a net amount of \$33,398,107. The increase is made up of a net increase of \$29,505,716 in Lands and Buildings, a net increase of \$3,342,270 in General Works and Improvements and an investment of \$550,121 in Provincial Parks. No depreciation has been accrued on Land, Buildings, Public Works, etc.

The balance sheet of The Niagara Parks Commission as at October 31, 1963 showed a surplus of \$7,586,906. Under authority of subsection 2 of section 14 of The Niagara Parks Act this surplus is included in the accounts of the Province and has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

The balance sheet of The Ontario-St. Lawrence Development Commission as at March 31, 1964 shows total assets of \$9,202,133. During the year funds for investment in fixed assets in the amount of \$528,689 were supplied through ordinary account of the Province. This latter amount has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

THE LIQUOR CONTROL BOARD OF ONTARIO—

INVESTMENT—\$24,787,611

This amount represents the Surplus as shown by the balance sheet of The Liquor Control Board of Ontario as at March 31, 1964. This amount has been retained by the Board for financing its operations. Details of the investment are shown on page 55 of the Public Accounts for 1963-64. This asset has been brought on the balance sheet by an adjustment through Surplus Account.

OTHER LOANS AND ADVANCES—\$290,838

The Co-operative Loans Act—Loans.....	\$ 25,813
Home Bank (in Liquidation)—Balance.....	213,000
Settlers' Loans.....	52,025
	<u>\$290,838</u>

The items in this group have been segregated because they are in arrears or in default. During the year a payment of \$6,784 was received from The Ontario Telephone Development Corporation on account of \$67,525 owing at March 31, 1963 and the balance of \$60,741 was written off to Surplus Account under authority of an Order in Council. The amount of \$60,741 represented the loss incurred in the sale of certain assets and in the winding up of the Madawaska Valley Telephone Co. Limited. In the same period recoveries were made in the amount of \$8,154 on loans under The Co-operative Loans Act and \$2,535 on account of Settlers' Loans.

These Loans and Advances are shown at book value as the amounts which may be realized cannot be determined at this time.

DISCOUNT AND EXCHANGE ON DEBENTURES

(less amount amortized)—\$14,354,371

Discount and exchange on Provincial debenture issues are amortized in each case over the term of the related issue.

During the year discount and exchange on new issues amounted to \$2,906,500 and in the same period an amount of \$1,796,778 was amortized. The unamortized balances making up the above total are shown in detail on page 56 of the Public Accounts for 1963-64.

ACCOUNTS RECEIVABLE (less Reserve)—\$18,032,303

This amount is the net total of the accounts receivable of all Departments of the Province of Ontario after the deduction of reserves for doubtful accounts. The reserves provided are considered adequate.

The details of the accounts receivable were submitted by Departmental accountants. The asset has been brought on the balance sheet by an adjustment through Surplus Account.

ACCRUED INTEREST ON ADVANCES SECURED BY BONDS—

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—\$2,925,558

This amount represents interest accrued but not due at March 31, 1964. The principal amount of the advance is \$336,798,000 and is referred to earlier in this report. The accrued interest has been brought on the balance sheet by an adjustment through Surplus Account.

INTEREST RECEIVABLE (less Reserve)—THE AGRICULTURAL DEVELOPMENT
FINANCE ACT—\$412,000

An amount of \$1,412,000 was owing to the Treasurer of Ontario for interest due on the former debentures of the Agricultural Development Board as at March 31, 1964. A reserve of \$1,000,000 is provided against the \$1,412,000

since a deficit appears in the books of the borrower and certain loans are outstanding which may prove to be uncollectable. The Reserve previously stood at \$1,200,000 but at March 31, 1964 was considered to be more than required. Accordingly \$200,000 was transferred to the Reserve for Farm Loans. During the year the interest due was reduced by \$132,000 as compared with \$169,000 in the previous year. This asset has been brought on the balance sheet by an adjustment through Surplus Account.

EQUIPMENT, STORES AND MATERIALS (less Reserve)—\$12,423,437

The inventories of equipment, stores and materials were valued, as in previous years, on a basis not exceeding cost. These inventories were compiled by the various Departmental accountants. Adequate reserves have been applied to reduce the gross totals to a conservative valuation. This asset has been brought on the balance sheet by an adjustment through Surplus Account.

LIABILITIES

FUNDED DEBT—\$1,722,378,641

Stock and Debentures.....	\$1,884,320,000
Less—Sinking Fund.....	161,941,359
	<u>\$1,722,378,641</u>

The details of Stock and Debentures outstanding at March 31, 1964 are shown in the Public Accounts for 1963-64 on page 59.

The Sinking Fund of \$161,941,359 is comprised of uninvested funds of \$12,504,859 which are on deposit with the Treasurer of Ontario in the Consolidated Revenue Fund and securities having a par value of \$149,436,500. The securities consist of issues of the Province of Ontario, The Hydro-Electric Power Commission of Ontario, the Ontario Northland Transportation Commission, the University of Toronto and the Government of Canada and are shown in detail on page 58 of the Public Accounts for 1963-64. These securities are held for safekeeping in the Securities Branch of the Treasury Department and were verified by physical examination and count as at March 31, 1964. The uninvested funds on deposit have been verified from the records of the Treasury Department.

UNFUNDED DEBT—\$335,585,166

DEMAND DEPOSITS WITH PROVINCE OF ONTARIO
SAVINGS OFFICE—\$80,616,017

This amount is made up of current deposits of \$80,527,404 and unclaimed balances of \$88,613. The deposit accounts are carried by 21 branches of the Province of Ontario Savings Office located throughout the Province.

Under authority of The Agricultural Development Finance Act, R.S.O. 1960, Chap. 9, the Treasurer of Ontario may borrow money by means of deposits and may open offices for this purpose at any place in Ontario. The Treasurer may fix the conditions as to interest and repayments that govern such deposits but the rate of interest shall not be more than 4 per cent per annum. Moneys borrowed under this Act may be used for general purposes of the Province. The liability of the Savings Office to depositors is similar to the liability of a chartered bank to savings depositors.

SPECIAL FUNDS—\$198,996,567

PUBLIC SERVICE SUPERANNUATION FUND—\$173,327,730

During the year the funds of the Public Service Superannuation Fund on deposit with the Treasurer of Ontario were increased by a net amount of \$23,029,558 to a balance of \$173,327,730 as at March 31, 1964.

PUBLIC SERVICE RETIREMENT FUND—\$1,357,377

The funds of the Public Service Retirement Fund on deposit with the Treasurer of Ontario were increased during the year by a net amount of \$236,662 to a total of \$1,357,377 as at March 31, 1964.

OTHER—\$24,311,460

During the year the total of these accounts was reduced by a net amount of \$26,381,944. This was due mainly to a decrease in the special account of the Hospital Services Commission of Ontario of \$29,902,660, an increase in the funds held for the Motor Vehicle Accident Claims Fund of \$3,237,694 and an increase in the funds held for the Ontario Municipal Employees Retirement Fund of \$1,650,000. A list of accounts making up Special Funds—Other is shown in detail on page 62 of the Public Accounts for 1963-64.

HOUSING CORPORATION LIMITED—LIABILITIES—\$876,401

The main liability of Housing Corporation Limited is a bank demand loan of \$870,000 guaranteed by the Province of Ontario. This loan was reduced during the year by \$480,000.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN
CORPORATION—LIABILITIES—\$20,440,557

The main liabilities of The Ontario Junior Farmer Establishment Loan Corporation making up the above amount are as follows: debentures issued by the Corporation of \$11,000,000 due in October, 1976 bearing interest of $4\frac{1}{2}\%$ and \$9,000,000 due in June, 1965 bearing interest at 2% , both guaranteed by the Province, accrued interest on debentures issued \$301,729, and a bank overdraft of \$111,083 as at March 31, 1964.

The Corporation has an additional liability to the Treasurer of Ontario for an advance of \$1,500,000 bearing interest of $5\frac{3}{4}\%$. During the year the advance was increased by \$1,300,000. This advance has been eliminated by contra in the preparation of the balance sheet of the Province.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

LIABILITIES—\$33,604,020

The liabilities of The Ontario Municipal Improvement Corporation are debentures of the Corporation in the amount of \$33,000,000 maturing over a period from 1964 to 1980 and bearing interest at rates from $3\frac{1}{2}\%$ to $5\frac{3}{4}\%$ and accrued interest at March 31, 1964 of \$604,020. These debentures are guaranteed by the Province of Ontario.

In addition the Corporation is indebted to the Treasurer of Ontario for an advance of \$16,235,000 bearing interest at 6¼%. This advance has been eliminated by contra in the preparation of the balance sheet of the Province.

MISCELLANEOUS—\$1,051,604

This amount is the unpaid balance of principal of a mortgage at March 31, 1964. The mortgage was assumed on April 16, 1963 in connection with the acquisition of the land and building at 880 Bay Street, Toronto, by the Department of Public Works. Under the terms of the mortgage the interest rate is 5½ per cent per annum with monthly payments including interest and principal to be made until the mortgage is retired in full in 1976.

ACCOUNTS PAYABLE—\$1,649,212

This amount is the total of accounts payable by all Departments of the Province of Ontario as at March 31, 1964, the details of which were submitted by the Departmental Accountants.

Included in the accounts payable of the Department of Lands and Forests is \$1,258,938 for Timber Deposits and prepayments. The remaining accounts payable of \$390,274 represent the value of goods received and services rendered during the year which had not been paid for at March 31, 1964 by the various Departments. This liability has been brought on the balance sheet by an adjustment through Surplus Account.

ACCRUED INTEREST ON FUNDED DEBT—\$23,826,705

The above amount represents interest accrued but not due at March 31, 1964 on debentures outstanding in the hands of the public of \$23,816,430 and a provision of \$10,275 for interest coupons matured prior to November 1, 1932 but not yet presented for payment. This liability has been brought on the balance sheet by an adjustment through Surplus Account.

RESERVES—\$8,693,211

During the year Reserves have been increased by a net amount of \$664,505. This was due mainly to a credit of \$673,269 to the General Reserve of The Ontario Municipal Improvement Corporation, a transfer from Reserve for Interest Receivable re Agricultural Development Board Debentures to Reserve for Farm Loans of \$200,000 less a reduction of \$206,883 due to a deficit in the operations of The Ontario Junior Farmer Establishment Loan Corporation for the year ended March 31, 1964. A list of the Reserves is shown on page 63 of the Public Accounts for 1963-64.

SURPLUS—\$1,222,348,303

The Surplus Account increased during the year by a net amount of \$158,163,845. The main items credited to Surplus during the year were as follows: Surplus on Ordinary Account \$954,470, Provision for Sinking Fund \$41,500,000, Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue \$131,000,000, Ordinary Expenditures capitalized

relating to Provincial Parks and The Ontario-St. Lawrence Development Commission \$680,413 and a net amount of \$4,050,344 in connection with year-end adjustments of Accounts Receivable and Payable, Equipment, Stores and Materials and Accrued Interest, etc.

The principal items reducing Surplus Account during the year were Highway Capital Disbursements for the fiscal year ended October 31, 1934 of \$18,375,110 written off, Rural Power Transmission Line Bonus for fiscal year ended October 31, 1934 of \$292,000 written off, accounts deemed uncollectable totalling \$146,210 written off and a repayment to the Government of Canada of \$1,008,716 relating to the Tax Rental Agreement, 1952-56.

Details of the Surplus Account are shown on page 8 of the Public Accounts for the year 1963-64.

CONTINGENT LIABILITIES—\$1,717,267,414

Bonds, etc., guaranteed by the Province of Ontario as at March 31, 1964	\$1,740,601,414
Less—Held in Sinking Fund.....	23,334,000
	<u>\$1,717,267,414</u>

Guarantees of payment made in connection with indebtedness of certain Co-operative Associations, The Economic Development Loans Guarantee Act, a Power Commission, a Railway and a University, etc., as shown on pages 69-71 of the Public Accounts for 1963-64 are in accordance with authority granted in the governing statutes.

During the year contingent liabilities increased by a net amount of \$97,298,287. This is due mainly to a net increase of \$92,243,300 in issues of The Hydro-Electric Power Commission of Ontario, a net increase of \$2,467,000 in loans of the Ontario Northland Transportation Commission, a net increase in loans under The Economic Development Loans Guarantee Act of \$1,440,532 and a net increase in the obligations of the Co-operative Loans Associations of \$774,177.

The amount of contingent liabilities shown on the balance sheet of the Province of Ontario is net of guaranteed bonds held in sinking fund of the Province of Ontario. For details see page 71 of the Public Accounts for 1963-64.

CHARTS AND STATEMENTS

Charts showing the trend in Gross and Net Debt and in Net Ordinary Revenue and Expenditures for the ten years ended March 31, 1964 are appended to this report on pages 36-37. Charts showing the trend in certain major items of Net Ordinary Revenue and Expenditure appear on pages 38-41 of this report. A chart showing comparisons between Estimated and Actual Net Ordinary Voted Expenditure for the ten years ended March 31, 1964 and a chart showing comparisons between Estimated and Actual Net Capital Voted Expenditure for the ten years ended March 31, 1964 are appended on pages 42-43.

The following statements for the fiscal year April 1, 1963 to March 31, 1964 will be found on pages 44-56.

Source and Application of Funds

Debentures of Ontario Municipalities and School Boards held by The Ontario Municipal Improvement Corporation as at March 31, 1964

Comparative Statement of Net Interim and Actual Ordinary Revenue

Comparative Statement of Net Interim and Actual Ordinary Expenditure

Comparative Summary of Net Interim and Actual Ordinary Revenue and Ordinary Expenditure

Comparative Statement of Net Interim and Actual Capital Receipts

Comparative Statement of Net Interim and Actual Capital Disbursements.

Statements showing details of Treasury Board Orders issued for the authorization of expenditures in excess of appropriations during the fiscal year ended March 31, 1964 and Special Warrants issued during the fiscal year ended March 31, 1964 are submitted in separate sections immediately following the statements referred to above.

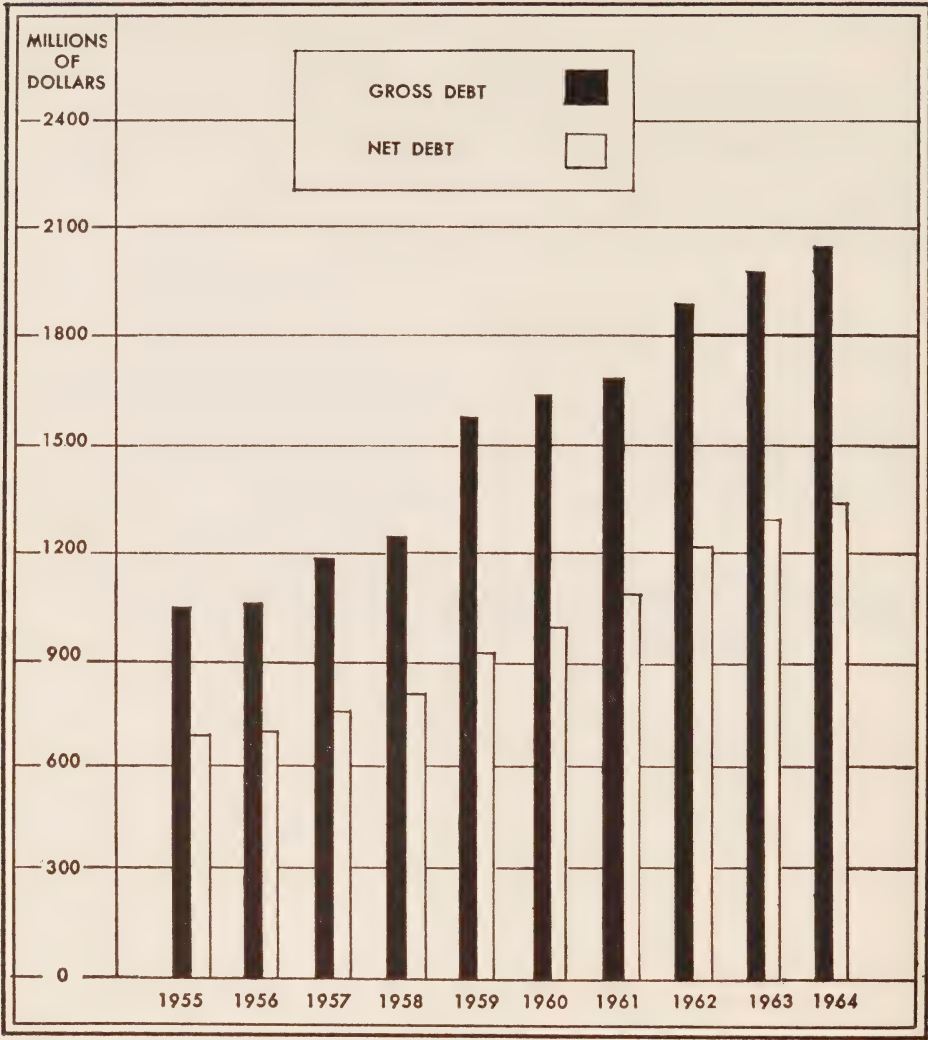
I am very pleased to have this opportunity to acknowledge the willing co-operation and effective help of the officials and staff of the various Departments, Boards and Commissions during the conduct of the audit.

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Toronto, November 27, 1964.

CHARTS AND STATEMENTS

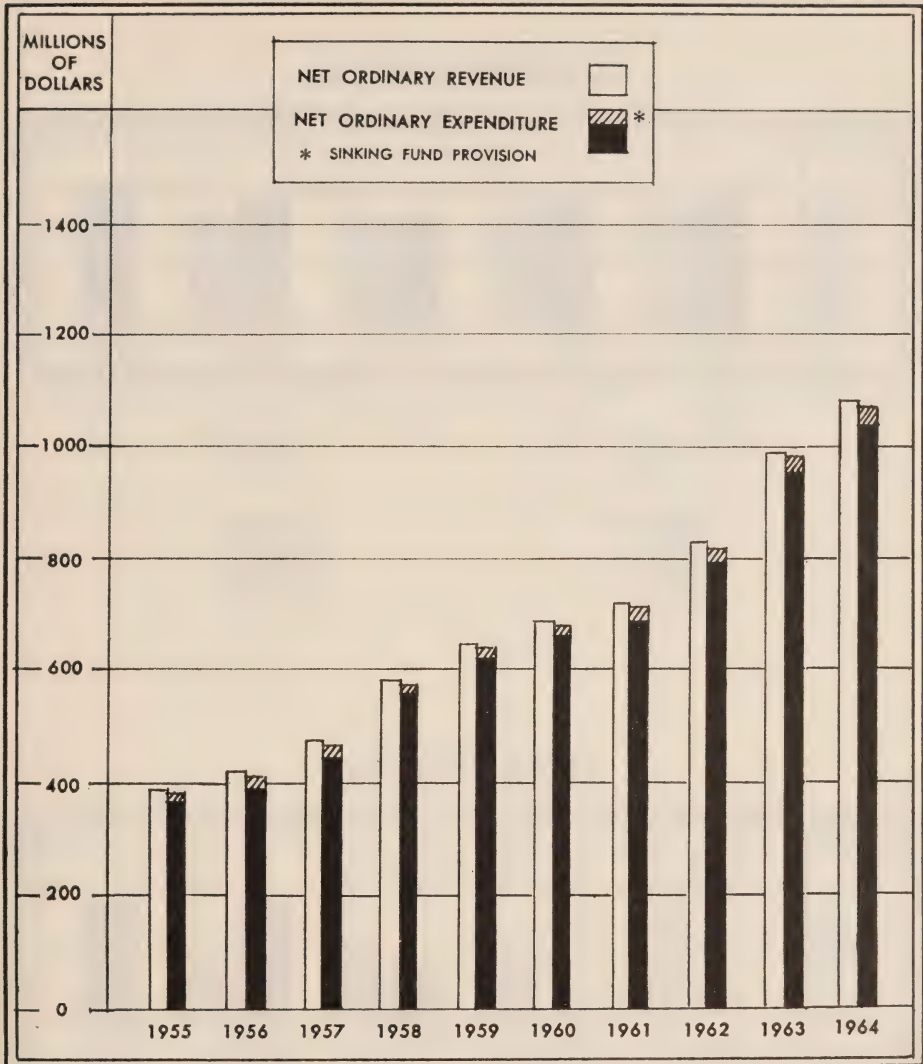
GROSS AND NET DEBT
FOR THE TEN YEARS ENDED MARCH 31, 1964



Gross and Net Debt per Public Accounts

YEAR ENDED MARCH 31	GROSS DEBT	NET DEBT
1955	\$1,066,160,741	\$ 660,725,169
1956	1,072,409,119	705,306,145
1957	1,196,707,469	758,277,702
1958	1,285,809,989	818,606,441
1959	1,579,113,325	900,532,098
1960	1,642,671,624	993,554,760
1961	1,695,504,283	1,092,616,819
1962	1,884,972,861	1,209,063,700
1963	1,979,374,560	1,284,104,122
1964	2,057,963,807	1,344,744,148

**NET ORDINARY REVENUE AND EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1964**

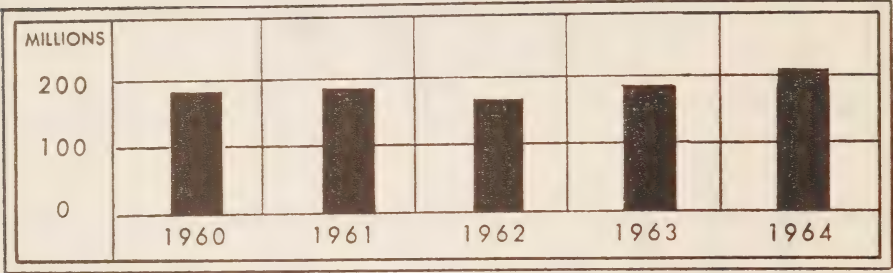


YEAR ENDED MARCH 31	NET ORDINARY REVENUE	NET ORDINARY EXPENDITURE	*SINKING FUND PROVISION
1955	\$ 399,393,284	\$ 399,249,638	\$ 21,536,000
1956	427,969,363	425,464,481	32,630,000
1957	479,783,191	477,978,640	40,729,000
1958	591,849,092	590,983,062	17,833,000
1959	642,374,233	642,070,163	17,941,000
1960	702,469,593	701,605,902	31,054,000
1961	739,391,410	739,000,383	33,822,000
1962	825,352,009	824,849,622	35,802,000
1963	993,611,901	993,033,254	39,000,000
1964	1,079,135,679	1,078,181,209	41,500,000

*Included in Net Ordinary Expenditure.

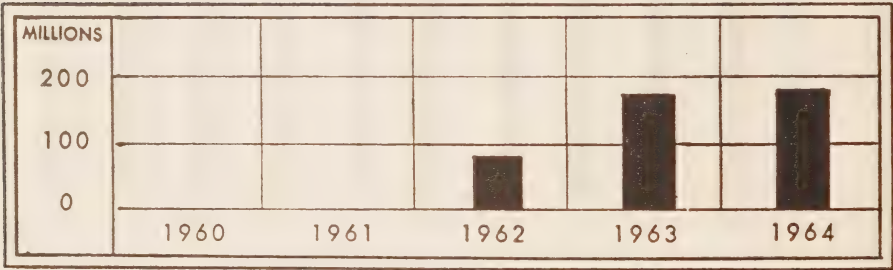
MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

CORPORATIONS TAX



YEAR ENDED MARCH 31	AMOUNT
1960	\$ 175,850,437
1961	185,667,356
1962	165,854,287
1963	185,717,994
1964	209,672,035

RETAIL SALES TAX*

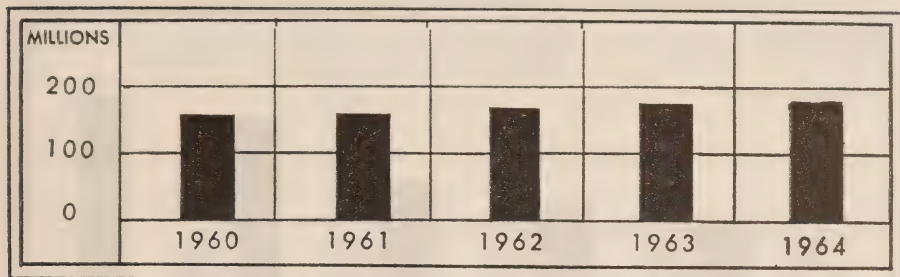


YEAR ENDED MARCH 31	AMOUNT
1960	\$.....
1961	.....
1962	78,746,682
1963	175,714,557
1964	186,534,521

*Revenue under The Retail Sales Tax Act, 1960-61 commenced as of September 1, 1961.

ORDINARY REVENUE
YEARS ENDED MARCH 31, 1964

GASOLINE TAX

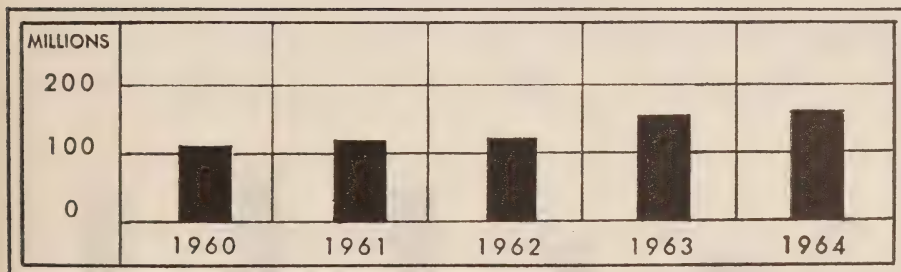


YEAR ENDED
MARCH 31

AMOUNT

1960	.....	\$152,158,907
1961	.....	157,655,684
1962	.....	165,193,317
1963	.....	173,135,315
1964	.....	183,649,850

INCOME TAX*



YEAR ENDED
MARCH 31

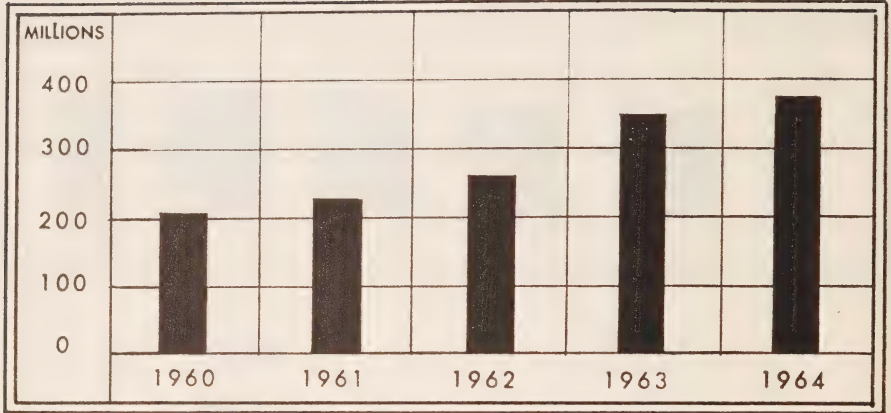
AMOUNT

1960	.....	\$109,605,040
1961	.....	113,791,937
1962	.....	120,651,639
1963	.....	151,844,240
1964	.....	164,369,708

*Income Tax Rental Agreement prior to April, 1962.

MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

EDUCATION

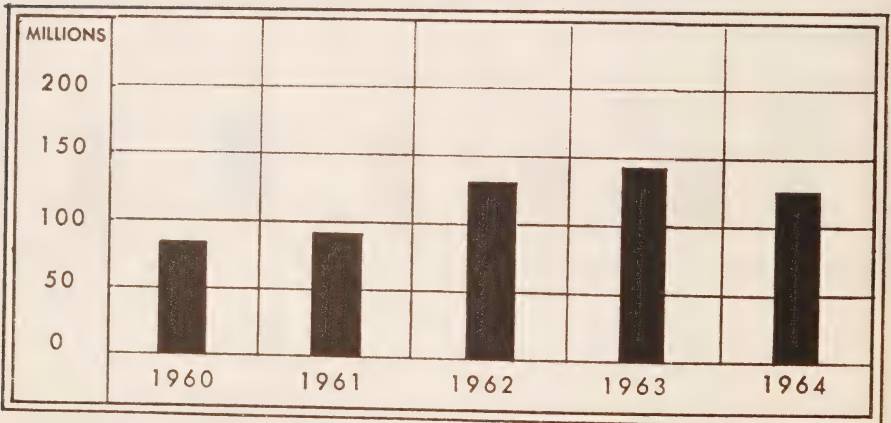


YEAR ENDED
MARCH 31

AMOUNT

1960	.....	\$203,859,896
1961	.....	226,510,583
1962	.....	261,723,044
1963	.....	348,367,974
1964	.....	381,041,328

HEALTH SERVICES



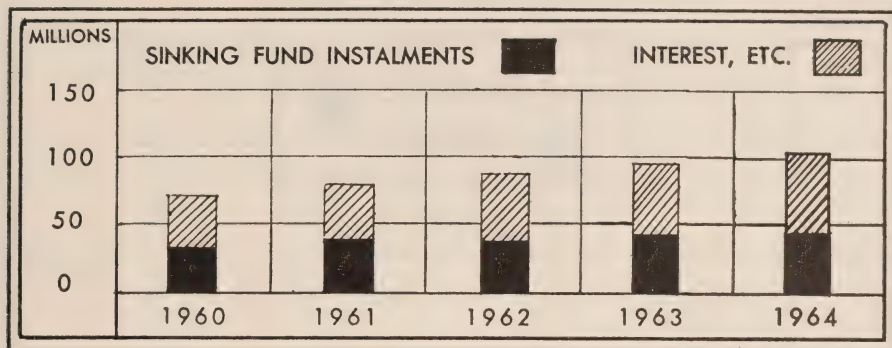
YEAR ENDED
MARCH 31

AMOUNT

1960	.....	\$ 83,626,383
1961	.....	88,960,472
1962	.....	130,316,189
1963	.....	144,302,638
1964	.....	122,025,920

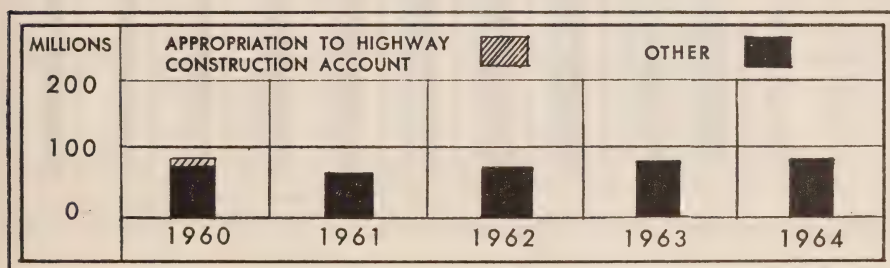
ORDINARY EXPENDITURE
YEARS ENDED MARCH 31, 1964

PUBLIC DEBT



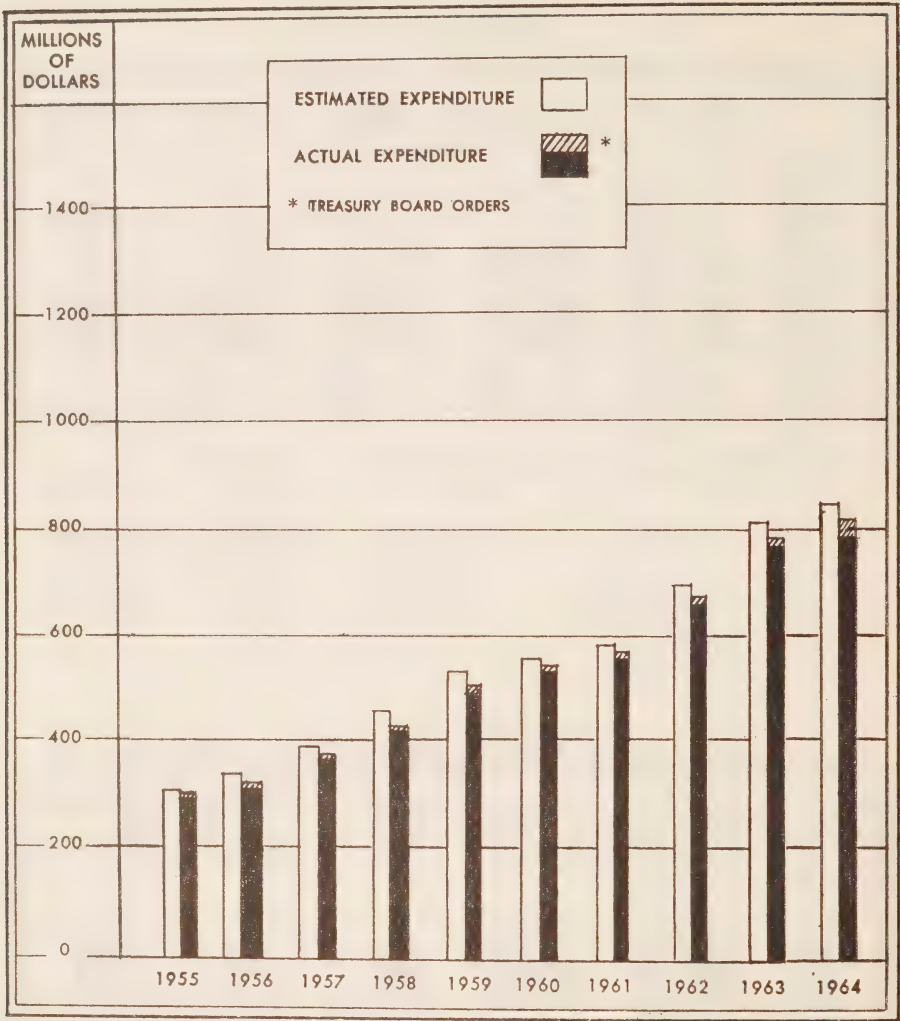
YEAR ENDED MARCH 31	SINKING FUND INSTALMENTS	INTEREST, ETC.	TOTAL
1960	\$31,054,000	\$37,156,022	\$68,210,022
1961	33,822,000	44,410,520	78,232,520
1962	35,802,000	50,313,662	86,115,662
1963	39,000,000	57,406,874	96,406,874
1964	41,500,000	60,739,257	102,239,257

HIGHWAYS AND ROADS, MAINTENANCE, GRANTS, Etc.



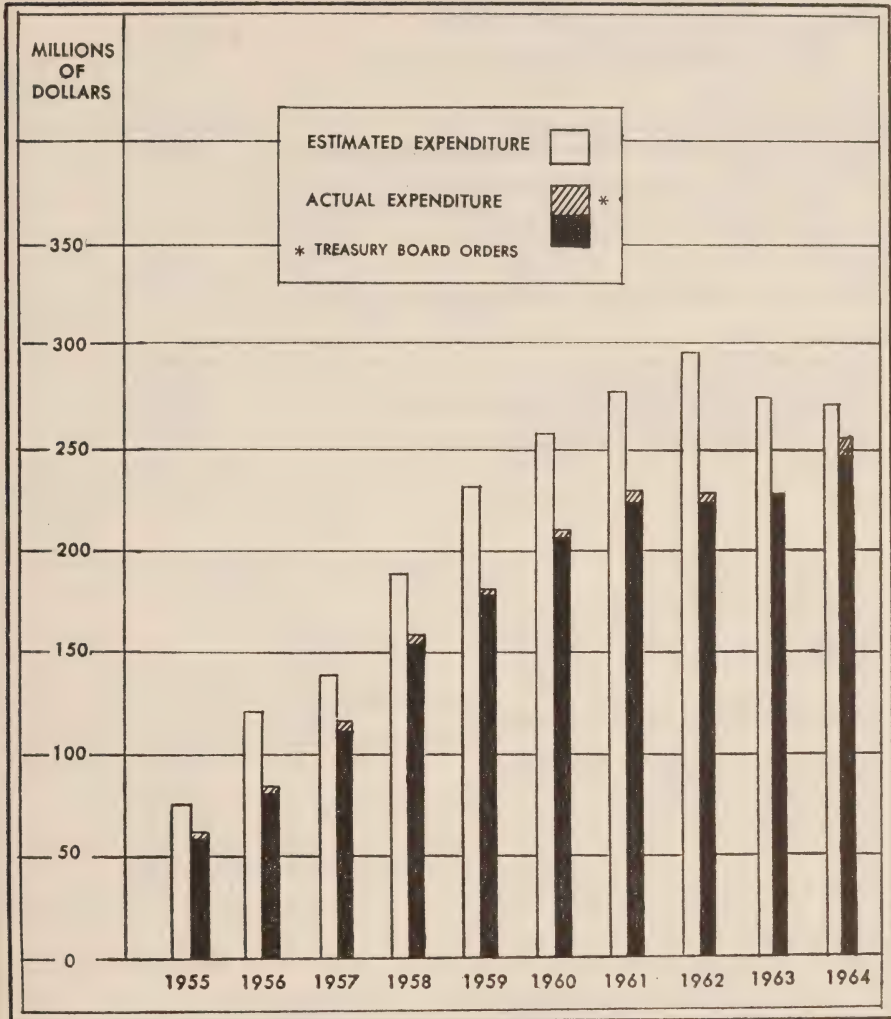
YEAR ENDED MARCH 31	APPROPRIATION TO HIGHWAY CONSTRUCTION ACCOUNT	OTHER	TOTAL
1960	\$15,000,000	\$73,193,762	\$ 88,193,762
1961	71,563,798	71,563,798	143,127,596
1962	73,665,402	73,665,402	147,330,804
1963	78,784,248	78,784,248	157,568,496
1964	81,579,733	81,579,733	163,159,466

ESTIMATED NET ORDINARY VOTED EXPENDITURE
COMPARED WITH ACTUAL NET ORDINARY VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1964



YEAR ENDED MARCH 31	ESTIMATED NET ORDINARY VOTED EXPENDITURE	ACTUAL NET ORDINARY VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1955	\$326,586,100	\$318,382,185	\$ 7,564,525	\$325,946,710
1956	342,382,000	326,780,728	9,171,543	335,952,271
1957	390,372,000	374,572,562	3,268,081	377,840,643
1958	455,108,500	428,260,609	7,020,270	435,280,879
1959	531,676,500	506,037,469	5,075,319	511,112,788
1960	561,796,000	535,551,563	6,385,557	541,937,120
1961	588,203,400	558,082,501	7,842,746	565,925,247
1962	687,030,500	649,736,213	10,573,093	660,309,306
1963	802,135,000	765,599,893	10,696,506	776,296,399
1964	834,456,000	789,664,393	18,103,088	807,767,481

**ESTIMATED NET CAPITAL VOTED EXPENDITURE
COMPARED WITH ACTUAL NET CAPITAL VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1964**



YEAR ENDED MARCH 31	ESTIMATED NET CAPITAL VOTED EXPENDITURE	ACTUAL NET CAPITAL VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1955	\$ 73,900,000	\$ 56,495,391	\$ 637,169	\$ 57,132,560
1956	122,878,000	83,906,424	2,951	83,909,375
1957	142,008,000	114,315,129	4,956,458	119,271,587
1958	188,044,000	150,851,738	4,594,280	155,446,018
1959	230,810,000	178,876,677	743,400	179,620,077
1960	258,127,000	207,399,300	1,637,177	209,036,477
1961	275,600,000	225,839,595	4,880,319	230,719,914
1962	298,009,000	227,725,859	519,719	228,245,578
1963	275,392,000	229,084,116	7,558,276	229,084,116
1964	273,375,000	248,303,551	7,558,276	255,861,827

**SOURCE AND APPLICATION OF FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 1964**

SOURCE OF FUNDS—

Excess of Ordinary Revenue over Ordinary Expenditure.....		\$	954,470
Add: Items not requiring an outlay of funds—			
Provision for Sinking Fund.....	\$	41,500,000	
Discount and Exchange on Debentures written off.....		1,796,778	
			43,296,778
Increase in Liabilities:			
Debentures Issued (net of discount).....	\$154,493,500		
Demand Deposits with Province of Ontario Savings Office (net)	3,546,576		
Special Funds—			
Public Service Superannuation and Retirement			
Funds (net).....	\$	23,266,220	
Motor Vehicle Accident Claims Fund.....		3,237,694	
Other—(net).....		1,261,581	
		27,765,495	
Bequests, Scholarships, and Outstanding Cheques (net).....		5,515	
			185,811,086
Decrease in Assets:			
Temporary Investments (net).....	\$	69,539,338	
Loans and Advances Repaid.....		9,886,713	
Proceeds from Sinking Fund Investments matured.....		16,125,500	
Uninvested Sinking Funds.....		17,376,288	
Sale of Capital Assets and Recoveries.....		2,244,637	
Other.....		654	
			115,173,130
			<u>\$345,235,464</u>

APPLICATION OF FUNDS—

Investment in Physical Assets:

Highways.....	\$198,897,256		
Mining and Access Roads.....	904,699		
		\$199,801,955	
Land and Buildings.....	\$28,517,504		
Municipal Drainage, Dams, Docks, etc.....	903,998		
		29,421,502	
Rural Power Transmission Lines.....		824,478	
Conservation Projects.....		3,096,143	
Special Projects re Townsites.....		21,948	
Provincial Parks.....		398,397	
		\$233,564,423	
Less—Financed out of Ordinary Revenue.....		131,000,000	
			\$102,564,423
Increase in Other Assets:			
Cash on Hand and in Banks.....	\$	82,882,821	
Loans and Advances—			
Ontario Water Resources Commission.....	\$	7,282,660	
The Municipality of Metropolitan Toronto..		10,000,000	
Provincial Student-Aid Loans.....		2,916,191	
Other.....		9,153,281	
		29,352,132	
Sinking Fund Investments Purchased.....		11,654,500	
Other.....		17,487	
			123,906,940
Decrease in Liabilities:			
Debentures Retired through Sinking Fund.....	\$	63,347,288	
Debentures Retired at Maturity.....		23,542,712	
		\$	86,890,000
Special Funds:			
Hospital Services Commission of Ontario.....		30,865,385	
			117,755,385
Repayment to Government of Canada under Tax Rental Agreement, 1952-56..			1,008,716
			<u>\$345,235,464</u>

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1964**

NAME	PURPOSE	PAR VALUE
Acton, Town of.....	Water, Sewers and Schools \$	496,100.00
Ajax, Town of.....	Schools.....	108,200.00
Ajax, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	56,900.00
Alberton, Township of.....	Schools.....	97,600.00
Albion, Township of—Board of Trustees of Roman Catholic Separate School Section No. 8.....	Schools.....	32,500.00
Alliston, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	53,000.00
Amherstburg, Town of.....	Schools.....	156,000.00
Ancaster, Township of.....	Schools.....	50,000.00
Anderdon and Sandwich West, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2 and 8.....	Schools.....	24,800.00
Armstrong, Township of—Public School Board of School Section No. 1.....	Schools.....	55,200.00
Atikokan, Township of.....	Water, Sewers and Schools	485,300.00
Aurora, Town of.....	Water, Sewers and Schools	527,000.00
Aurora, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	135,300.00
Awere, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	50,000.00
Badgerow, Field, Gibbons and Grant, Townships of— Board of Trustees of Roman Catholic Union Sepa- rate School, United Sections Nos. 1; 1; 1, 2 and 4; and 1.....	Schools.....	178,400.00
Bala, Town of.....	Schools.....	51,600.00
Balfour, Township of.....	Schools.....	97,400.00
Bancroft, Village of.....	Schools.....	82,000.00
Bancroft, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	88,100.00
Barrie, City of—Board of Trustees of Roman Catholic Separate School Section No. 12.....	Schools.....	59,800.00
Bath, Village of.....	Water.....	29,600.00
Baxter, (Unorganized) Township of—Public School Board of School Section No. 2.....	Schools.....	33,800.00
Beardmore, Improvement District of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	51,000.00
Bertie, Township of.....	Water.....	61,000.00
Bicroft, Improvement District of.....	Water, Sewers and Schools	551,500.00
Bicknell, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	6,000.00
Black River, Township of.....	Water and Sewers.....	46,900.00
Blenheim, Township of—Board of Trustees of Roman Catholic Separate School Section No. 21.....	Schools.....	35,700.00
Bleazard, Township of.....	Schools.....	64,900.00
Blind River, Town of.....	Water, Sewers and Schools	1,065,544.38
Blind River, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	387,900.00
Bolton, Village of.....	Schools.....	42,200.00
Bonfield, Township of.....	Schools.....	68,700.00
Bosanquet, Township of.....	Schools.....	275,000.00
Bothwell, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	38,400.00
Bracebridge, Town of.....	Water and Schools.....	608,400.00
Braeside, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	35,800.00
Brampton, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	92,800.00
Brantford, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	74,100.00
Britton, Wainwright and Zealand—Public School Board of the Township School Area.....	Schools.....	83,000.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1964**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Broder, (Unorganized) Township of—Public School Board of Section No. 2.....	Schools.....	\$ 19,300.00
Broder, (Unorganized) Township of—Public School Board of Section No. 3.....	Schools.....	61,144.92
Broder and Dill, Townships of—Board of Public School Trustees, Union School Section No. 1.....	Schools.....	103,800.00
Broder and Dill, Townships of—Board of Trustees of Roman Catholic Separate School, United Sections Nos. 1 and 1.....	Schools.....	75,800.00
Bruce Mines, Town of.....	Schools.....	92,800.00
Brudenell and Lyndoch and Radcliffe Union, Townships of—Board of Trustees of Roman Catholic Union Separate Schools, United Sections Nos. 3 and 3	Schools.....	16,300.00
Brunel, Township of.....	Schools.....	39,600.00
Burchell Lake, Public School Board of School Section No. 1.....	Schools.....	37,000.00
Burk's Falls, Village of.....	Schools.....	348,600.00
Burlington, Town of.....	Schools.....	748,000.00
Burlington, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	324,100.00
Burlington-Nelson, Board of Management Inter-Urban Area of.....	Water.....	140,000.00
Caledonia, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	31,000.00
Calvert, Township of.....	Water, Sewers and Schools	158,400.00
Calvert, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 1 and 4.....	Schools.....	176,200.00
Calvert, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	121,600.00
Capreol, Town of.....	Water and Sewers.....	27,200.00
Carew and Cavell, Townships of—Board of Public School Trustees of Union School Section No. 1....	Schools.....	26,400.00
Carnarvon, Township of.....	Schools.....	99,900.00
Cartier, (Unorganized) Township of—Board of Trustees of Public School Section No. 1.....	Schools.....	1,000.00
Casgrain, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	31,000.00
Cayuga, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	25,700.00
Chapleau, Township of.....	Sewers.....	151,000.00
Chatham, Township of.....	Water.....	30,400.00
Chelmsford, Town of.....	Water and Schools.....	19,700.00
Chippawa, Village of.....	Water, Sewers and Schools	585,300.00
Chippawa, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	95,700.00
Christie, Township of.....	Schools.....	32,080.00
Cobalt, Town of.....	Schools.....	181,800.00
Cobden, Village of.....	Water and Sewers.....	34,000.00
Cobden, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	17,832.00
Cochrane, Town of.....	Sewers.....	55,000.00
Colchester North, Township of.....	Schools.....	77,300.00
Colchester North, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2 and 5.....	Schools.....	26,800.00
Conger and Cowper, Townships of—Board of Public School Trustees, Union School Section No. 4.....	Schools.....	15,700.00
Conmee, Township of.....	Schools.....	38,100.00
Crystal Beach, Village of.....	Water and Sewers.....	84,000.00
Crystal Beach, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	35,300.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1964**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Dawson Road, Forbes and Goldie, Township School Area of—Public School Board.....	Schools.....	\$ 40,600.00
DeRoche, Jarvis, Hodgins, Gaudette and Shields—Public School Board of the Township School Area...	Schools.....	17,900.00
Dill and Cleland, Townships of—Public School Board of Sections Nos. 3 and 1.....	Schools.....	41,400.00
Dorchester South, Yarmouth, Westminster and Dorchester North, Townships of—Board of Trustees of Roman Catholic Separate School, Union Public School Section Nos. 11, 20, 12 and 20.....	Schools.....	34,100.00
Dorion, Improvement District of.....	Schools.....	33,800.00
Dover, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 3, 7, 9, 13 and 14.....	Schools.....	113,600.00
Dowling, Township of.....	Schools.....	35,700.00
Dowling, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	34,100.00
Draper, Township of.....	Schools.....	53,000.00
Drury, Denison and Graham, United Townships of...	Schools.....	85,900.00
Dryden, Town of.....	Water.....	18,000.00
Dryden and Awrey, Townships of—Board of Public School Trustees of Union School Section Nos. 3; and 1.....	Schools.....	58,000.00
Dungannon, Township of.....	Schools.....	31,900.00
Dymond, Township of.....	Schools.....	48,400.00
Dysart, Guilford, Harburn, Dudley, Harcourt, Bruton, Havelock, Eyre and Clyde, Townships of.....	Schools.....	17,500.00
Eilber, Barker and Devitt, (Unorganized) Townships of—Public School Board of School Section No. 1.....	Schools.....	27,200.00
Elliot Lake, Improvement District of.....	Water, Sewers and Schools	7,246,600.00
Elliot Lake, Improvement District of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	542,200.00
Elmvale, Village of.....	Water.....	700.00
Essa, Township of.....	Schools.....	37,000.00
Essex, County of.....	Schools.....	269,200.00
Etobicoke, Township of.....	Water and Sewers.....	389,000.00
Etobicoke, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 11 and 15.....	Schools.....	277,100.00
Eton, Aubrey, Wainwright and Van Horne, (Unorganized) Townships of—Public School Board of the Township School Area.....	Schools.....	83,000.00
Falconsbridge, Township of.....	Schools.....	100,000.00
Faraday, Township of.....	Schools.....	76,200.00
Fenwick, Haviland and Vankoughnet—Public School Board of Township School Area.....	Schools.....	85,000.00
Fisher, (Unorganized) Township of—Board of Trustees of Roman Catholic Separate School Section No. 1...	Schools.....	12,400.00
Fisher and Herrick, Townships of—Board of Public School Trustees of Union School Section No. 1.....	Schools.....	37,000.00
Fonthill, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	104,600.00
Fort Frances, Town of.....	Water and Sewers.....	6,100.00
Fort Frances, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	53,400.00
Freeman, Township of.....	Schools.....	4,200.00
Frontenac, County of.....	Schools.....	629,000.00
Garson, Township of—Board of Trustees of Roman Catholic Separate School Sections Nos. 2 and 3.....	Schools.....	215,200.00
Georgetown, Town of.....	Water, Sewers and Schools	901,320.00
Georgetown, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	144,000.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1964**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Geraldton, Town of.....	Schools.....	\$ 156,600.00
Glackmeyer, Township of.....	Schools.....	20,300.00
Gladstone, Bright, Parkinson, Patton and Eley, (Unorganized) Townships of—Board of School Trustees of Township School Area.....	Schools.....	31,000.00
Glencoe, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	15,500.00
Gloucester, Township of.....	Schools.....	107,700.00
Gore Bay, Town of.....	Schools.....	135,500.00
Gorham and Ware, Townships of—Public School Board of the Township School Area.....	Schools.....	49,800.00
Gould, Wells, Parkinson, and Grassette—Public School Board of the Township School Area.....	Schools.....	3,400.00
Grimsbey, Town of.....	Schools.....	95,900.00
Grimsbey North, Township of.....	Schools.....	17,900.00
Gwillimbury West, Township of.....	Drainage.....	13,830.00
Hagar, Loughrin and Awrey, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 1 and 2; 1; and 1.....	Schools.....	53,200.00
Haultain, Milner and Nicol—Public School Board of the Township School Area.....	Schools.....	53,300.00
Hawkesbury, Town of.....	Water and Sewers.....	16,700.00
Hearst, Town of.....	Water and Sewers.....	27,000.00
Hensall, Village of.....	Schools.....	85,600.00
Herschel, Township of.....	Schools.....	17,600.00
Hespeler, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	70,000.00
Hilliard, Township of.....	Schools.....	24,000.00
Himsworth South, Township of.....	Schools.....	82,000.00
Houghton, Township of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	33,100.00
Howland, Township of.....	Schools.....	12,000.00
Ignace, Township of.....	Schools.....	43,200.00
Ingram, (Unorganized) Township of—Board of Trustees of the Township School Area.....	Schools.....	9,500.00
Innisfil, Township of.....	Schools.....	126,400.00
Jaffray and Melick, Township of.....	Schools.....	96,600.00
Jaffray and Melick, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3....	Schools.....	73,700.00
Joan and Phyllis, (Unorganized) Townships of—Board of School Trustees of the Township School Area....	Schools.....	21,100.00
Johnson, Township of.....	Schools.....	37,100.00
Kashabowie, Township of—Public School Board of School Section No. 1.....	Schools.....	31,200.00
Keewatin, Town of.....	Schools.....	276,000.00
Keewatin, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	79,800.00
Kendrey, Improvement District of.....	Water and Sewers.....	59,700.00
Kennedy, Brower, Fox and Pyne—Public School Board of the Township School Area.....	Schools.....	32,200.00
Kilkenny, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	37,900.00
King, Township of.....	Drainage.....	6,400.00
Kingston, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	53,400.00
Korah, Township of.....	Water, Sewers and Schools	70,400.00
Korah, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	75,600.00
Korah, Township of—Board of Trustees of Roman Catholic Union Separate School, United School Sections Nos. 3 and 5.....	Schools.....	59,600.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1964**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Laird, Township of.....	Schools.....	\$ 57,500.00
Lakefield, Village of.....	Water and Schools.....	217,200.00
Lakefield, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	32,500.00
Larder Lake, Township of.....	Schools.....	33,400.00
Leduc, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	45,800.00
Lewis, Township of—Board of Trustees of the Public School Section No. 2.....	Schools.....	8,400.00
Lewis and Spragge, Townships of—Board of Public School Trustees, Union School Section No. 2.....	Schools.....	28,300.00
Lion's Head, Village of.....	Schools.....	70,600.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 20.....	Schools.....	60,700.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 21.....	Schools.....	68,200.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 22.....	Schools.....	118,500.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 23.....	Schools.....	114,400.00
Long and Striker, Townships of—Board of Trustees of Public School Union Sections Nos. 1; and 1.....	Schools.....	45,600.00
Louth, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	145,000.00
Lutterworth, Township of.....	Schools.....	32,500.00
Lybster and South Marks, (Unorganized) Townships of—Board of School Trustees of the Township School Area.....	Schools.....	62,100.00
Macaulay, Township of.....	Schools.....	70,900.00
Macdonald, Meredith and Aberdeen Additional, Townships of.....	Schools.....	57,300.00
Machin, Township of.....	Schools.....	84,885.21
Madoc, Village of.....	Water and Sewers.....	13,000.00
Magnetawan, Village of.....	Schools.....	19,500.00
Maidstone, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7.....	Schools.....	48,500.00
Manitouwadge, Improvement District of.....	Water and Schools.....	1,320,100.00
Manitouwadge, Improvement District of—Board of Trustees of the Township School Area.....	Schools.....	461,800.00
Markdale, Village of.....	Schools.....	11,400.00
Markham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	60,800.00
Marmora, Village of.....	Schools.....	69,700.00
Massey, Town of.....	Schools.....	30,600.00
Matheson, Town of.....	Water, Sewers and Schools.....	72,100.00
Mattawa, Town of.....	Water and Sewers.....	86,200.00
Michipicoten, Township of.....	Schools.....	83,700.00
Middleton, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	42,500.00
Middleton and North Walsingham, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections, Nos. 6 and 22.....	Schools.....	62,400.00
Milton, Town of.....	Sewers and Schools.....	264,500.00
Minaki, (Unorganized) Township of Public School Board of Section No. 1.....	Schools.....	23,000.00
Monmouth, Township of.....	Schools.....	43,200.00
Moore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	11,400.00
Nakina, Improvement District of.....	Schools.....	68,300.00
Neelon and Garson, United Townships of.....	Water and Schools.....	60,660.00
New Liskeard, Town of.....	Water and Sewers.....	3,800.00
Newmarket, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	101,700.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1964**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Niagara, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	\$ 92,800.00
Niagara, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	33,900.00
Niagara Falls, City of.....	Water.....	603,000.00
Nipigon, Township of.....	Water and Sewers.....	140,500.00
North Fredericksburgh, Township of.....	Schools.....	6,600.00
North Gwillimbury, Township of.....	Schools.....	175,700.00
North York, Township of.....	Incinerator, Water and Sewers.....	435,000.00
Oakley, Township of.....	Schools.....	35,500.00
Oakville, Town of.....	Water, Sewers and Schools.....	1,260,100.00
Oakville, Town of—Board of Trustees of Roman Catholic Separate School Section No. 13.....	Schools.....	137,700.00
Oakville, Town of—Board of Trustees of Roman Catholic Separate School Section No. 18.....	Schools.....	114,000.00
Oliver, Township of.....	Schools.....	51,200.00
Onaping, Improvement District of.....	Schools.....	146,600.00
Oro, Township of.....	Schools.....	18,800.00
Paipooonge, Township of.....	Schools.....	88,800.00
Parkhill, Town of, and Williams West, Township of—Board of Trustees of Roman Catholic Union Separate School, United Section No. 10.....	Schools.....	35,700.00
Pelham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	33,900.00
Pembroke, Township of.....	Schools.....	56,000.00
Penetanguishene, Town of.....	Schools.....	231,000.00
Petawawa, Township of.....	Schools.....	70,200.00
Pic, Township of—Public School Board of Section No. 1.....	Schools.....	56,900.00
Pickering, Township of.....	Schools.....	901,041.21
Pickering, Village of.....	Schools.....	83,600.00
Playfair, Township of.....	Schools.....	14,700.00
Port Carling, Village of.....	Water.....	13,600.00
Port Credit, Town of.....	Water and Schools.....	202,900.00
Port Credit, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	107,100.00
Port McNicoll, Village of.....	Water.....	8,500.00
Powassan, Town of.....	Schools.....	283,200.00
Prescott, Town of.....	Schools.....	127,000.00
Prince, Township of.....	Schools.....	41,502.00
Rainy River, Town of.....	Schools.....	114,400.00
Rayside, Township of.....	Schools.....	48,800.00
Redditt, Township of—Public School Board of Section No. 1.....	Schools.....	18,900.00
Red Lake, Township of.....	Schools.....	180,100.00
Red Lake, Township of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	73,000.00
Red Rock, Improvement District of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	67,800.00
Renfrew, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	131,100.00
Richmond Hill, Town of.....	Schools.....	233,100.00
Richmond Hill, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	61,800.00
Riverside, Town of.....	Water, Sewers and Schools.....	55,800.00
Riverside, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	391,100.00
Rockland, Town of.....	Water.....	22,000.00
Rodney, Village of, and Aldborough, Township of—Board of Trustees of Roman Catholic Union Separate School for the Village and Section No. 5.....	Schools.....	31,000.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1964**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Ryan, Kincaid and Herrick, Townships of—Board of Public School Trustees, Union School Section Nos. 1, 1 and 2.....	Schools.....	\$ 10,900.00
Ryde, Township of.....	Schools.....	42,200.00
St. Catharines, City of.....	Water and Sewers.....	304,400.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	49,600.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	92,800.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School Section No. 8.....	Schools.....	31,000.00
St. Clair Beach, Village of.....	Water, Sewers and Schools	68,950.00
St. Clair Beach, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	35,700.00
St. Joseph, Township of.....	Schools.....	62,593.31
St. Thomas, City of—Board of Trustees of Roman Catholic Separate School Section No. 18.....	Schools.....	101,400.00
Salter, May and Harrow, Townships of.....	Schools.....	71,000.00
Saltfleet, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	140,900.00
Sandwich East, Township of.....	Water, Sewers and Schools	588,533.00
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	60,675.00
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	5,100.00
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	33,900.00
Sandwich South, Township of.....	Schools.....	20,600.00
Sandwich South, Township of—Board of Trustees of Roman Catholic Separate School Section No. 20.....	Schools.....	63,500.00
Sandwich West, Township of.....	Water, Sewers and Schools	915,730.00
Sandwich West, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	63,500.00
Sandwich West, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2, 3, 4, 7 and 9.....	Schools.....	617,900.00
Sault Ste. Marie, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	182,500.00
Savant Lake—Public School Board of School Section No. 1.....	Schools.....	10,600.00
Schreiber, Township of.....	Water.....	16,000.00
Schreiber, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	18,700.00
Seneca, Township of—Board of Trustees of Roman Catholic Separate School Section No. 11.....	Schools.....	16,200.00
Shebandowan—Public School Board of School Section No. 1.....	Schools.....	21,400.00
Shedden, Township of—Public School Board of Section No. 1.....	Schools.....	60,000.00
Shedden, Township of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	136,400.00
Sherwood, Jones and Burns, Townships of.....	Schools.....	29,000.00
Sibley—Public School Board of the Township School Area.....	Schools.....	32,200.00
Sidney, Township of—Board of Trustees of Roman Catholic Separate School Section No. 11.....	Schools.....	14,800.00
Sioux Lookout, Town of.....	Water and Sewers.....	418,240.00
Sioux Lookout, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	83,900.00
Sioux Narrows, Improvement District of—Board of Trustees of the Roman Catholic Separate Schools.....	Schools.....	81,800.00
South River, Village of.....	Water.....	52,000.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1964**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Spragge, Township of—Public School Board of Section No. 1.....	Schools.....	\$ 51,000.00
Stafford, Township of.....	Schools.....	30,300.00
Stamford, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 3, 4, 5 and 6.....	Schools.....	101,700.00
Stamford, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 4, 5 and 6.....	Schools.....	81,200.00
Stamford, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7.....	Schools.....	91,200.00
Stisted, Township of.....	Schools.....	30,700.00
Stouffville, Village of.....	Sewers.....	386,600.00
Strathroy, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	13,100.00
Streetsville, Town of.....	Schools.....	76,000.00
Strong, Township of.....	Schools.....	156,900.00
Sturgeon Falls, Town of.....	Schools.....	171,900.00
Sudbury, City of.....	Water, Sewers and Schools	1,523,300.00
Sudbury, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	203,600.00
Sundridge, Village of.....	Schools.....	79,000.00
Sunnidale, Township of.....	Schools.....	48,800.00
Sutton, Village of.....	Water.....	238,500.00
Tarentorus, Township of.....	Water, Sewers and Schools	238,700.00
Tarentorus, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	75,800.00
Tay, Township of.....	Water.....	46,100.00
Teck, Township of.....	Water.....	121,756.78
Tehkummah, Township of.....	Schools.....	34,500.00
Thamesville, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	40,100.00
Thessalon, Town of.....	Schools.....	111,820.00
Thessalon, Township of.....	Schools.....	75,100.00
Thorold, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	159,000.00
Timmins, Town of.....	Sewers.....	37,100.00
Timmins, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	514,500.00
Tisdale, Township of.....	Water and Sewers.....	287,300.00
Toronto, Township of.....	Water, Sewers and Schools	1,184,500.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	88,100.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	67,900.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	151,000.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	111,300.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7.....	Schools.....	60,800.00
Toronto Gore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 6....	Schools.....	31,000.00
Trout Creek, Town of.....	Schools.....	29,200.00
Twenty-Seven and Twenty-Eight, Townships of—Board of Trustees of Roman Catholic Separate School, Union School Section No. 1.....	Schools.....	35,400.00
Upsala, Township School Area of—Public School Board.....	Schools.....	33,900.00
Vaughan, Township of—Board of Trustees of Roman Catholic Separate School Section No. 25.....	Schools.....	71,300.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1964**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Vermilion Additional, Drayton, Jordan and Vermilion, Townships of—Board of Public School Trustees, Union School Sections Nos. 1; 2; 1; and 1.....	Schools.....	\$ 89,200.00
Vespra, Township of.....	Schools.....	38,400.00
Wabigoon and Redvers, Township of—Board of Public School Trustees of Union School Sections Nos. 2 and 3.....	Schools.....	94,800.00
Wallaceburg, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	77,300.00
Ware and Dawson Road, Township School Area of— Public School Board.....	Schools.....	48,000.00
Waterford, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	20,400.00
Waters, Township of.....	Schools.....	180,300.00
Webbwood, Town of.....	Schools.....	32,100.00
Welland, City of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	97,400.00
Werner Lake, Public School Board of School Section No. 1.....	Schools.....	32,990.00
West Ferris, Township of.....	Water, Sewers and Schools	610,700.00
Westminster, Township of.....	Schools.....	65,700.00
Westminster, Township of—Board of Trustees of Roman Catholic Separate School Section No. 17...	Schools.....	35,700.00
Whitney, Township of.....	Sewers.....	18,000.00
Wicksteed, Township of.....	Schools.....	105,300.00
Wicksteed, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	89,200.00
Widdifield, Township of.....	Water.....	21,500.00
Windsor, City of.....	Water.....	700,000.00
Windsor, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	890,400.00
Wollaston, Township of.....	Schools.....	36,900.00
Woodbridge, Village of.....	Water and Schools.....	142,100.00
Wyoming, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	31,000.00
Zealand, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	90,100.00
		<u>\$51,279,027.81</u>

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL ORDINARY
REVENUE FOR THE FISCAL YEAR APRIL 1, 1963, TO MARCH 31, 1964**

DEPARTMENT	NET INTERIM ORDINARY REVENUE	NET ACTUAL ORDINARY REVENUE	ACTUAL TO INTERIM INCREASE	DECREASE
Agriculture.....	\$ 2,162,000	\$ 2,162,013	\$ 13	\$
Attorney General.....	10,406,000	10,863,162	457,162	
Economics and Development.....	33,000	3,771		29,229
Education.....	4,479,000	4,222,934		256,066
Energy Resources.....	232,000	242,394	10,394	
Health.....	4,470,000	4,685,215	215,215	
Highways.....	1,852,000	1,938,399	86,399	
Insurance.....	657,000	745,798	88,798	
Labour.....	1,211,000	1,407,039	196,039	
Lands and Forests.....	22,250,000	22,584,170	334,170	
Mines.....	11,374,000	11,657,302	283,302	
Municipal Affairs.....	319,000	617,366	298,366	
Prime Minister.....		53	53	
Provincial Secretary and Citizenship.	2,480,000	2,548,135	68,135	
Public Welfare.....	35,000	36,511	1,511	
Public Works.....	1,273,000	1,269,527		3,473
Reform Institutions.....	790,000	832,301	42,301	
Transport.....	80,335,000	82,673,689	2,338,689	
Travel and Publicity.....	1,034,000	1,039,640	5,640	
Treasury:				
Main Office—Subsidies.....	4,624,000	4,624,070	70	
Interest.....	72,000	72,633	633	
Miscellaneous.....	15,000	18,466	3,466	
Ontario Racing Commission.....	150,000	116,427		33,573
Liquor Control Board of Ontario.	95,000,000	97,100,000	2,100,000	
Public Utilities Tax.....	900,000	1,018,591	118,591	
Water Power Rentals.....	5,200,000	5,272,511	72,511	
Comptroller of Revenue—				
Income Tax.....	157,000,000	164,369,708	7,369,708	
Corporations Tax.....	207,000,000	209,672,035	2,672,035	
Succession Duty.....	43,500,000	44,120,835	620,835	
Retail Sales Tax.....	183,000,000	186,534,521	3,534,521	
Gasoline Tax.....	182,000,000	183,684,694	1,684,694	
Motor Vehicle Fuel Tax.....	9,300,000	9,391,902	91,902	
Hospitals Tax.....	4,800,000	4,876,071	76,071	
Race Tracks Tax.....	7,900,000	7,998,120	98,120	
Security Transfer Tax.....	3,000,000	3,086,139	86,139	
Land Transfer Tax.....	4,400,000	4,474,930	74,930	
Logging Tax.....	2,800,000	3,174,605	374,605	
Miscellaneous.....		2	2	
Total for Treasury.....	\$ 910,661,000	\$ 929,606,260	\$18,978,833	\$ 33,573
	<u>\$ 1,056,053,000</u>	<u>\$ 1,079,135,679</u>	<u>\$23,405,020</u>	<u>\$ 322,341</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1963, TO MARCH 31, 1964**

DEPARTMENT	NET INTERIM ORDINARY EXPENDITURE	NET ACTUAL ORDINARY EXPENDITURE	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture.....	\$ 19,030,000	\$ 18,504,747	\$	\$ 525,253
Attorney General.....	31,922,000	31,592,359		329,641
Civil Service.....	865,000	855,342		9,658
Economics and Development.....	5,613,000	5,423,671		189,329
Education.....	392,283,000	381,041,328		11,241,672
Energy Resources.....	677,000	657,840		19,160
Health.....	132,740,000	122,025,920		10,714,080
Highways.....	81,317,000	81,579,733	262,733	
Insurance.....	473,000	463,373		9,627
Labour.....	4,569,000	4,421,533		147,467
Lands and Forests.....	28,536,000	27,815,029		720,971
Lieutenant Governor.....	27,000	25,487		1,513
Mines.....	2,260,000	2,230,590		29,410
Municipal Affairs.....	45,610,000	44,954,733		655,267
Prime Minister.....	202,000	198,319		3,681
Provincial Auditor.....	518,000	530,167	12,167	
Provincial Secretary and Citizenship	4,086,000	4,074,376		11,624
Public Welfare.....	62,668,000	60,690,004		1,977,996
Public Works.....	12,330,000	12,132,778		197,222
Reform Institutions.....	16,403,000	16,286,296		116,704
Transport.....	6,477,000	6,566,908	89,908	
Travel and Publicity.....	4,356,000	4,326,771		29,229
Treasury.....	18,598,000	18,401,868		196,132
Stationery Account.....		142,780	142,780	
	<u>\$ 871,560,000</u>	<u>\$ 844,941,952</u>	<u>\$ 507,588</u>	<u>\$27,125,636</u>
Public Debt:				
Interest, etc.....	61,471,000	60,739,257		731,743
Provision for Sinking Fund.....	41,500,000	41,500,000		
	<u>\$ 974,531,000</u>	<u>\$ 947,181,209</u>	<u>\$ 507,588</u>	<u>\$27,857,379</u>
Capital Disbursements on High- ways, Public Works, etc., financed out of Ordinary Revenue.....	81,000,000	131,000,000	50,000,000	
	<u>\$ 1,055,531,000</u>	<u>\$ 1,078,181,209</u>	<u>\$50,507,588</u>	<u>\$27,857,379</u>

*8 months' actual—4 months' forecast.

COMPARATIVE SUMMARY

**NET INTERIM* AND ACTUAL ORDINARY REVENUE AND ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1963, TO MARCH 31, 1964**

	INTERIM	ACTUAL	ACTUAL TO INTERIM
Net Ordinary Revenue.....	\$ 1,056,053,000	\$ 1,079,135,679	\$23,082,679
Less: Net Ordinary Expenditure (before items below).....	\$ 933,031,000	\$ 905,681,209	\$27,349,791
Provision for Sinking Fund.....	41,500,000	41,500,000	
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	81,000,000	131,000,000	50,000,000
Net Ordinary Expenditure.....	<u>\$ 1,055,531,000</u>	<u>\$ 1,078,181,209</u>	<u>\$22,650,209</u>
Surplus.....	<u>\$ 522,000</u>	<u>\$ 954,470</u>	<u>\$ 432,470</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL CAPITAL
RECEIPTS FOR THE FISCAL YEAR APRIL 1, 1963, TO MARCH 31, 1964**

DEPARTMENT	NET INTERIM CAPITAL RECEIPTS	NET ACTUAL CAPITAL RECEIPTS	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Economics and Development.....	\$ 1,700,000	\$ 2,496,472	\$ 796,472	\$
Education.....	800,000	688,549		111,451
Energy Resources.....		6,393	6,393	
Highways.....	1,112,000	1,463,485	351,485	
Labour.....	9,000,000	9,072,059	72,059	
Lands and Forests.....	800,000	641,607		158,393
Mines.....	110,000	104,147		5,853
Public Welfare.....		9,145	9,145	
Public Works.....	79,000	92,765	13,765	
Transport.....	6,850,000	7,246,759	396,759	
Treasury.....	86,946,000	86,394,735		551,265
	<u>\$107,397,000</u>	<u>\$108,216,116</u>	<u>\$ 1,646,078</u>	<u>\$ 826,962</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL CAPITAL
DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1963, TO MARCH 31, 1964**

DEPARTMENT	NET INTERIM CAPITAL DISBURSE- MENTS	NET ACTUAL CAPITAL DISBURSE- MENTS	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture.....	\$ 800,000	\$ 780,754	\$	\$ 19,246
Economics and Development.....	2,250,000	2,031,446		218,554
Education.....	3,000,000	2,916,191		83,809
Energy Resources.....	1,160,000	824,478		335,522
Highways.....	199,047,000	198,897,255		149,745
Labour.....	9,500,000	9,341,249		158,751
Lands and Forests.....	6,850,000	3,557,125		3,292,875
Mines.....	1,000,000	842,114		157,886
Municipal Affairs.....	27,761,000	18,064,608		9,696,392
Public Welfare.....		9,582	9,582	
Public Works.....	28,475,000	29,421,503	946,503	
Transport.....	3,825,000	4,009,065	184,065	
Treasury.....	47,273,000	49,111,610	1,838,610	
	<u>\$330,941,000</u>	<u>\$319,806,980</u>	<u>\$ 2,978,760</u>	<u>\$14,112,780</u>
Less: Financed out of Ordinary Revenue.....	81,000,000	131,000,000	50,000,000	
	<u>\$249,941,000</u>	<u>\$188,806,980</u>	<u>\$47,021,240</u>	<u>\$14,112,780</u>

*8 months' actual—4 months' forecast.

TREASURY BOARD ORDERS

**STATEMENT OF TREASURY BOARD ORDERS ISSUED FOR THE
AUTHORIZATION OF EXPENDITURES IN EXCESS OF APPROPRIATIONS
DURING THE FISCAL YEAR ENDED MARCH 31, 1964**

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	ORDINARY		
	Department of Agriculture		
	Main Office:		
	Salaries:		
Nov. 20, 1963	Order.....	\$ 4,200.00	
Mar. 25, 1964	Order.....	7,000.00	
		11,200.00	9,909.95
	Maintenance:		
Nov. 20, 1963	Order.....	\$ 1,500.00	
Feb. 19, 1964	Order.....	20,000.00	
		21,500.00	12,187.36
	Workmen's Compensation Board—Awards and Costs:		
Feb. 19, 1964	Order.....	\$ 8,500.00	
April 15, 1964	Order.....	750.00	
		9,250.00	9,237.01
Jan. 15, 1964	Agricultural and Horticultural Societies Branch: Grants under The Community Centres Act.....	125,000.00	90,772.00
April 15, 1964	Dairy Branch: Maintenance.....	3,000.00	2,403.01
	Extension Branch:		
Feb. 19, 1964	Salaries.....	45,000.00	33,888.82
Feb. 19, 1964	Northern Ontario: Services and Expenses re Agricultural Work, etc.	65,300.00	64,810.91
	Farm Products Inspection Branch:		
	Salaries:		
Dec. 18, 1963	Order.....	\$ 10,100.00	
Feb. 19, 1964	Order.....	9,000.00	
April 8, 1964	Order.....	8,200.00	
		27,300.00	27,000.71
	Travelling Expenses:		
Dec. 18, 1963	Order.....	\$ 6,300.00	
Feb. 19, 1964	Order.....	5,500.00	
		11,800.00	7,560.49
	Maintenance:		
Dec. 18, 1963	Order.....	\$ 600.00	
Feb. 19, 1964	Order.....	7,500.00	
		8,100.00	4,096.67
	Farm Products Marketing Board:		
April 8, 1964	Salaries.....	500.00	355.66
Feb. 19, 1964	Maintenance.....	3,500.00	3,491.44
	Information Branch:		
Mar. 25, 1964	Salaries.....	1,000.00	985.96
April 15, 1964	Maintenance.....	21,000.00	13,965.08

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Agriculture—Continued		
	Live Stock Branch:		
Feb. 19, 1964	Maintenance.....	17,000.00	16,944.28
April 2, 1964	Grants and Subsidies.....	8,000.00	7,993.97
	The Stallions Act:		
Dec. 11, 1963	Expenses and Premiums for Pure Bred Stallions.....	1,000.00	768.10
	Marketing Development Branch:		
Oct. 30, 1963	Salaries.....	20,000.00	19,416.12
Oct. 30, 1963	Travelling Expenses.....	10,000.00	9,307.14
	Maintenance:		
Oct. 30, 1963	Order.....\$ 50,000.00		
Jan. 29, 1964	Order.....36,500.00		
April 15, 1964	Order.....11,000.00		
		97,500.00	97,114.72
	Ontario Junior Farmer Loan Branch:		
July 24, 1963	Salaries.....	22,500.00	21,969.61
July 24, 1963	Travelling Expenses.....	6,000.00	5,326.62
July 24, 1963	Maintenance.....	16,500.00	16,100.44
	Demonstration Farm, New Liskeard:		
April 8, 1964	Salaries.....	1,100.00	1,037.06
Jan. 29, 1964	Travelling Expenses.....	250.00	249.88
	Kemptville Agricultural School:		
	Salaries:		
April 8, 1964	Order.....\$ 10,200.00		
April 15, 1964	Order.....1,500.00		
		11,700.00	11,551.98
	Federated Colleges, Guelph:		
Mar. 25, 1964	Maintenance.....	40,000.00	33,751.49
		605,000.00	522,196.48
	Department of Attorney General		
	Main Office:		
Jan. 29, 1964	Travelling Expenses.....	3,600.00	3,149.85
Jan. 29, 1964	Maintenance.....	49,000.00	48,765.34
Jan. 29, 1964	Crown Counsel Prosecutions.....	30,500.00	24,709.23
	General Litigation and Legal Services:		
July 3, 1963	Order.....\$ 7,500.00		
Jan. 29, 1964	Order.....2,000.00		
Mar. 11, 1964	Order.....11,000.00		
		20,500.00	19,625.36
	Master—Supreme Court of Ontario:		
	Salaries:		
Feb. 19, 1964	Order.....\$ 8,000.00		
April 15, 1964	Order.....1,000.00		
		9,000.00	8,914.49
	Registrar—Supreme Court of Ontario:		
	Salaries:		
Feb. 19, 1964	Order.....\$ 7,500.00		
April 15, 1964	Order.....2,500.00		
		10,000.00	9,430.25
	Legislative Counsel and Registrar of Regulations:		
April 15, 1964	Salaries.....	2,800.00	2,519.04

AUDITOR'S REPORT FOR 1963-64

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DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Attorney General—Continued		
Feb. 19, 1964	Laboratory: Salaries.....	18,000.00	14,349.04
April 15, 1964	Probation Services: Salaries.....	4,000.00	3,118.95
Feb. 19, 1964	Ontario Securities Commission: Maintenance.....	8,270.00	7,890.45
Feb. 26, 1964	Investigations and Miscellaneous Services.....	2,500.00	1,813.55
	Inspector of Legal Offices: Salaries:		
April 15, 1964	Crown Attorneys.....	18,000.00	16,975.75
Feb. 19, 1964	Local Masters of Titles and Registrars of Deeds.....	15,000.00	12,612.12
	Criminal Justice Accounts: Audit Office:		
April 15, 1964	Salaries.....	1,800.00	1,498.83
April 8, 1964	Administration of Justice—Districts.....	30,000.00	29,904.88
	Magistrates and Juvenile Courts: Salaries.....	103,500.00	*.....
Mar. 18, 1964	Reimbursement of Salaries of Judges and Court Officials; Maintenance of Offices—Judicial Districts.....	500.00	495.38
	Master of Titles: Salaries:		
Dec. 18, 1963	Order.....\$ 6,460.00		
Mar. 11, 1964	Order.....8,000.00		
		14,460.00	13,313.53
	Director of Titles: Salaries.....	500.00	331.52
Jan. 29, 1964	Travelling Expenses.....	2,000.00	555.61
	Emergency Measures: Salaries.....	2,400.00	*.....
Aug. 28, 1963	Maintenance.....	86,000.00	51,826.90
Jan. 29, 1964	Municipal Projects.....	201,200.00	*.....
Feb. 19, 1964	Supervising Coroner: Salaries.....	5,700.00	5,548.13
	Official Guardian: Salaries:		
Feb. 19, 1964	Order.....\$ 2,000.00		
April 15, 1964	Order.....2,000.00		
		4,000.00	3,659.46
	Matrimonial Causes Section: Salaries:		
Feb. 19, 1964	Order.....\$ 2,000.00		
April 15, 1964	Order.....1,000.00		
		3,000.00	2,891.40
	Ontario Provincial Police: Travelling Expenses.....	100,000.00	60,568.82
Feb. 5, 1964	Maintenance.....	215,000.00	214,894.34
Jan. 29, 1964	Ontario Police College: Salaries.....	21,000.00	18,820.45
		982,230.00	578,182.67

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Civil Service		
Jan. 7, 1964	Main Office: Travelling Expenses.....	1,500.00	17.15
Jan. 7, 1964	Recruiting and Testing Services: Travelling Expenses.....	3,000.00	1,234.14
Jan. 7, 1964	Administrative Services: Maintenance.....	1,200.00	1,199.77
Oct. 2, 1963	Joint Advisory Council and Public Service Appeal Boards: Maintenance.....	2,100.00	1,875.66
Mar. 25, 1964	Honoraria.....	800.00	700.00
		8,600.00	5,026.72
	Department of Economics and Development		
Nov. 20, 1963	Economics Branch: Travelling Expenses.....	1,000.00	763.88
Mar. 4, 1964	Financial Research Branch: Salaries.....	215.00	*
April 15, 1964	Ontario House: Expenses of Renovation.....	26,000.00	25,416.98
Mar. 4, 1964	Special Research and Surveys Branch: Salaries.....	15,013.00	14,901.19
Mar. 4, 1964	Trade and Industry Branch: Salaries.....	17,954.00	17,806.71
May 8, 1963	Advertising, Exhibits, Conferences, etc.....	415,000.00	358,038.31
		475,182.00	416,927.07
	Department of Education		
	Main Office and General Departmental Expenses:		
	Main Office:		
	Salaries:		
May 22, 1963	Order.....\$ 13,800.00		
Dec. 19, 1963	Order.....24,200.00		
Mar. 18, 1964	Order.....12,000.00	50,000.00	47,584.63
	Maintenance:		
May 22, 1963	Order.....\$ 2,000.00		
Dec. 19, 1963	Order.....16,000.00	18,000.00	17,322.98
	General Departmental Expenses:		
April 8, 1964	Maintenance.....	8,000.00	6,755.25
Jan. 22, 1964	Printing of Forms, Publications, etc., for Dept..	50,000.00	27,549.04
April 8, 1964	Travelling Expenses.....	600.00	589.72
Nov. 27, 1963	Unemployment Insurance Stamps.....	4,000.00	2,425.73
Feb. 26, 1964	Unforeseen and Unprovided.....	3,000.00	2,371.82
	Technological and Trades Training Branch:		
	Maintenance:		
Nov. 20, 1963	Order.....\$ 10,000.00		
April 8, 1964	Order.....20,000.00	30,000.00	26,892.81

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Education—Continued		
Mar. 18, 1964	Teacher Education Branch: Medical Examination Expenses.....	600.00	576.25
Nov. 6, 1963	Professional Development Branch: Summer Courses for Teachers.....	25,000.00	24,147.88
Mar. 18, 1964	Special Educational Services Branch: Salaries.....	130,000.00	120,518.24
Jan. 22, 1964	Maintenance.....	36,000.00	25,302.00
	Registrar's Branch: Salaries:		
Dec. 19, 1963	Order.....\$ 4,200.00		
Mar. 18, 1964	Order.....60,000.00		
		64,200.00	36,032.01
Dec. 19, 1963	Maintenance.....	1,000.00	379.27
	Departmental Examinations:		
Mar. 18, 1964	Order.....\$ 3,000.00		
April 8, 1964	Order.....7,000.00		
		10,000.00	9,866.78
	Curriculum and Text-Books Branch:		
April 8, 1964	Salaries.....	5,000.00	4,888.57
	Advisory Committee on University Affairs, Salaries, Services, Travelling, etc.:		
Mar. 18, 1964	Order.....\$ 3,000.00		
April 8, 1964	Order.....2,000.00		
		5,000.00	4,949.74
	Other Educational Services:		
	Provincial Library Service:		
Feb. 26, 1964	Maintenance.....	18,000.00	14,852.99
	Legislative Library:		
Mar. 18, 1964	Salaries.....	3,500.00	3,297.49
	Dominion-Provincial Agreements:		
Nov. 27, 1963	Various Programmes, Services, Expenses, etc....	4,000,000.00	3,689,869.31
Feb. 13, 1964	To construct and equip additional Vocational Units for School Boards, etc.....	5,000,000.00	*.....
	Legislative Grants, etc.:		
Feb. 19, 1964	General Legislative Grants.....	1,750,000.00	446,332.77
Jan. 29, 1964	Cost of Education of Non-Resident Pupils, etc....	500,000.00	499,996.79
Feb. 19, 1964	Special Capital Grants for School Accommodation for Retarded Children.....	75,000.00	70,212.12
Nov. 27, 1963	Miscellaneous Grants.....	64,000.00	55,699.96
	Grants to Provincial and Other Universities, etc.:		
Mar. 11, 1964	Queen's University.....	500,000.00	500,000.00
		12,350,900.00	5,638,414.15
	Department of Energy Resources		
	Main Office:		
Mar. 11, 1964	Maintenance.....	11,000.00	8,103.43
	Drilling and Production Branch:		
Feb. 5, 1964	Maintenance.....	8,200.00	5,498.16
	Ontario Energy Board:		
April 2, 1964	Maintenance.....	1,000.00	639.82
		20,200.00	14,241.41

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Health		
	Main Office:		
Mar. 18, 1964	Salaries	85,000.00	68,342.71
April 2, 1964	Travelling Expenses	2,000.00	1,615.67
Feb. 20, 1964	Maintenance	33,000.00	32,807.41
Jan. 8, 1964	Medical and Other Research: Services and Expenses, etc.	75,000.00	57,482.66
April 15, 1964	Workmen's Compensation Board—Awards and Costs excluding Mental Health Branch	600.00	586.58
	Dental Service Branch:		
Feb. 20, 1964	Salaries	3,000.00	2,219.88
	Nursing Branch:		
Feb. 20, 1964	Costs and Expenses of Training Certified Nursing Assistants	55,000.00	54,993.50
	Epidemiology Branch:		
Feb. 20, 1964	Communicable Disease Control: Travelling Expenses	2,000.00	1,013.41
	Medical Rehabilitation Branch:		
Feb. 20, 1964	Maintenance	3,000.00	2,999.05
	Laboratory Branch:		
Mar. 18, 1964	Grants to Hospital Laboratories providing Community Diagnostic Public Health Services, etc. .	24,800.00	24,778.85
	Mental Health Branch:		
	General Expenses:		
	Workmen's Compensation Board—Awards and Costs for Mental Health Branch:		
Feb. 20, 1964	Order	\$ 30,000.00	
April 15, 1964	Order	16,200.00	
		46,200.00	46,100.82
	Provision for payment to the Hospital Services Commission of Ontario, in reimbursement for Expenditures relating to Mental Care:		
Jan. 22, 1964	Order	\$533,374.00	
April 15, 1964	Order	128,400.00	
		661,774.00	661,703.52
	Ontario Hospitals:		
Mar. 18, 1964	Salaries	1,600,000.00	1,162,685.62
		2,591,374.00	2,117,329.68
	Department of Highways		
	Main Office:		
Mar. 18, 1964	Salaries	100,000.00	65,489.35
	Maintenance—King's Highways and Other Roads:		
April 15, 1964	Winter Maintenance: King's Highways and Secondary Highways (The Highway Improvement Act, Sections 22, 33, 41, 42, 44 and 108)	750,000.00	240,502.78
		850,000.00	305,992.13

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Labour		
	Main Office:		
	Salaries:		
Feb. 26, 1964	Order.....	\$ 48,000.00	
Mar. 18, 1964	Order.....	8,000.00	
		56,000.00	55,039.74
Jan. 15, 1964	Travelling Expenses.....	15,000.00	9,583.08
April 2, 1964	Maintenance.....	15,000.00	14,756.80
	Assistance to Amateur Sport:		
Jan. 15, 1964	Order.....	\$ 600.00	
Mar. 4, 1964	Order.....	10,000.00	
		10,600.00	4,195.93
	Conciliation Services:		
Mar. 18, 1964	Salaries.....	9,000.00	7,350.37
April 2, 1964	Maintenance.....	2,500.00	2,497.43
April 2, 1964	Conciliation Boards.....	10,000.00	9,771.24
	Industry and Labour Board:		
Mar. 18, 1964	Salaries.....	20,000.00	18,871.14
	Labour Relations Board:		
Mar. 18, 1964	Salaries.....	18,000.00	16,369.20
	Human Rights Commission:		
Mar. 18, 1964	Salaries.....	500.00	130.25
Mar. 4, 1964	Education Programme, Studies, Conferences.....	7,000.00	6,902.39
Mar. 4, 1964	Travelling Expenses.....	1,500.00	656.05
		165,100.00	146,123.62
	Department of Lands and Forests		
	Main Office:		
Jan. 8, 1964	Public Information and Education.....	85,000.00	80,242.96
April 8, 1964	Workmen's Compensation Board—Awards and Costs.....	7,000.00	2,069.32
Mar. 25, 1964	Annuities and Bonuses to Indians.....	752.00	752.00
	Fish and Wildlife Branch:		
April 8, 1964	Salaries.....	4,000.00	3,506.83
	Parks Branch:		
	Parks Improvements:		
April 15, 1964	Construction of Buildings, development of campsites and picnic areas, etc.....	166,976.00	166,971.18
	Research Branch:		
April 8, 1964	Salaries.....	46,000.00	45,514.31
	Timber Branch:		
April 8, 1964	Grants to Municipalities and Conservation Authorities to aid in the acquisition of Forest Areas, etc.....	99,300.00	71,007.69
	Extra Fire Fighting:		
	Wages, Expenses, Maintenance and Operating:		
Oct. 2, 1963	Order.....	\$375,000.00	
Nov. 27, 1963	Order.....	125,000.00	
April 8, 1964	Order.....	20,000.00	
		520,000.00	511,369.55
Oct. 2, 1963	Forest Fire Suppression Equipment.....	67,100.00	63,273.25
		996,128.00	944,707.09

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Mines		
	Main Office:		
April 8, 1964	Salaries.....	9,500.00	9,296.15
Mar. 11, 1964	Travelling Expenses.....	2,500.00	2,054.53
	Geological Branch:		
April 15, 1964	Travelling Expenses.....	1,200.00	750.79
	Mines Inspection Branch:		
April 8, 1964	Salaries.....	4,000.00	3,755.98
Feb. 20, 1964	Travelling Expenses.....	2,000.00	1,411.50
	Laboratories Branch:		
April 15, 1964	Maintenance.....	3,200.00	2,940.37
	Mining Lands Branch:		
April 8, 1964	Salaries.....	7,600.00	7,494.09
Jan. 29, 1964	Travelling Expenses.....	3,000.00	2,638.40
April 15, 1964	Maintenance.....	1,300.00	1,142.33
		34,300.00	31,484.14
	Department of Municipal Affairs		
	Main Office and Branches:		
Jan. 15, 1964	Travelling Expenses.....	23,000.00	19,653.65
	Maintenance:		
June 12, 1963	Order.....\$ 3,337.00		
April 15, 1964	Order.....31,000.00		
		34,337.00	*
Oct. 9, 1963	Commissions and Investigations.....	53,000.00	38,645.87
	Grants to Municipalities:		
	Payments in lieu of Certain Municipal Taxes:		
Jan. 8, 1964	Order.....\$300,000.00		
Feb. 13, 1964	Order.....175,000.00		
		475,000.00	451,115.20
Jan. 8, 1964	Payments to Mining Municipalities.....	149,000.00	148,962.89
	Payments under Municipal Winter Works Incentive Programme:		
Jan. 8, 1964	Order.....\$1,860,000.00		
May 6, 1964	Order.....10,000.00		
		1,870,000.00	1,869,031.78
	Ontario Municipal Board:		
April 15, 1964	Salaries.....	9,000.00	8,629.19
	Maintenance:		
Jan. 8, 1964	Order.....\$ 10,000.00		
April 15, 1964	Order.....4,000.00		
		14,000.00	13,603.80
	Ontario Water Resources Commission:		
Mar. 11, 1964	Salaries.....	72,000.00	57,670.55
Mar. 11, 1964	Equipment.....	17,000.00	16,995.36
		2,716,337.00	2,624,308.29
	Office of Provincial Auditor		
April 15, 1964	Salaries.....	17,000.00	13,508.62

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Provincial Secretary and Citizenship		
	Main Office and General Departmental Expenses:		
Mar. 25, 1964	Salaries.....	37,000.00	36,851.86
June 5, 1963	Maintenance.....	6,500.00	6,300.98
Mar. 25, 1964	Workmen's Compensation Board—Awards and Costs.....	3,000.00	2,808.92
Mar. 25, 1964	Government Hospitality Fund.....	15,000.00	12,647.52
Jan. 22, 1964	Memorial Wreaths.....	200.00	117.70
	Office of the Speaker:		
Dec. 4, 1963	Travelling Expenses.....	900.00	900.00
Dec. 4, 1963	Allowance to Mr. Speaker in lieu of contingencies	5,000.00	5,000.00
	Clerk of the Legislative Assembly and Chief Election Officer:		
April 2, 1964	Maintenance.....	1,000.00	984.60
	Queen's Printer:		
April 2, 1964	The Ontario Gazette.....	5,000.00	4,649.12
	Registrar General's Branch:		
April 2, 1964	Salaries.....	20,000.00	18,301.69
	Sessional Requirements:		
April 2, 1964	Indemnities and Allowances to Members, including Mileage.....	10,000.00	9,474.53
April 2, 1964	Stationery, including Printing Paper, etc.....	35,000.00	24,768.66
	Maintenance:		
April 2, 1964	Order.....\$ 2,500.00		
April 15, 1964	Order.....600.00		
		3,100.00	3,030.76
	Committee Fees, etc.:		
Dec. 4, 1963	Order.....\$ 10,000.00		
Jan. 22, 1964	Order.....10,000.00		
		20,000.00	18,099.96
April 2, 1964	Legislative Art Purposes.....	2,000.00	2,000.00
		163,700.00	145,936.30
	Department of Public Welfare		
	Main Office:		
Feb. 20, 1964	Salaries.....	4,200.00	*
Jan. 22, 1964	Travelling Expenses.....	3,500.00	3,183.61
Mar. 4, 1964	Maintenance.....	900.00	787.99
July 3, 1963	Departmental Publications.....	20,000.00	13,119.25
	Day Nurseries Branch:		
Feb. 20, 1964	Day Nurseries—Contributions for Operation and Maintenance, etc.....	13,000.00	10,671.16
	Field Services Branch:		
Feb. 20, 1964	Salaries.....	9,000.00	*
Feb. 20, 1964	Travelling Expenses.....	6,000.00	3,981.12
Feb. 20, 1964	Maintenance.....	7,000.00	5,573.07
	Finance and Administration Branch:		
Feb. 20, 1964	Salaries.....	17,700.00	16,047.24
	General Welfare Assistance Branch:		
Feb. 20, 1964	Salaries.....	8,000.00	5,295.78
Mar. 11, 1964	General Welfare Assistance, etc.....	2,775,000.00	2,320,086.46
	Homemakers and Nurses Services:		
Feb. 20, 1964	Subsidies on Homemakers and Nurses Services, etc.....	43,000.00	41,959.09

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Public Welfare—Continued				
Feb. 5, 1964	Rehabilitation Services Branch: Maintenance.....	1,000.00		349.52	
	Welfare Allowances Branch:				
Feb. 20, 1964	Salaries.....	119,000.00		118,525.26	
Dec. 18, 1963	Maintenance.....	41,000.00		37,036.00	
Mar. 11, 1964	Old Age Assistance in accordance with The Old Age Assistance Act, etc.....	345,000.00		281,731.56	
Mar. 11, 1964	Blind Persons' Allowances in accordance with The Blind Persons' Allowances Act, etc.....	10,000.00		7,541.63	
Mar. 11, 1964	Allowances in accordance with The Disabled Persons' Allowances Act, etc.....	248,000.00		219,459.27	
		3,671,300.00		3,085,348.01	
	Department of Public Works				
	Main Office:				
Mar. 18, 1964	Salaries.....	35,000.00		34,237.07	
Oct. 30, 1963	Insurance.....	42,000.00		36,743.29	
Mar. 11, 1964	Workmen's Compensation Board—Awards and Costs.....	18,000.00		15,681.37	
	Ontario Government Buildings:				
April 8, 1964	Maintenance, Services, Repairs: Repairs, Alterations and Incidentals.....	250,000.00		245,323.34	
	Leased Premises:				
Jan. 22, 1964	Rentals and Expenses in connection therewith..	275,000.00		143,484.93	
		620,000.00		475,470.00	
	Department of Reform Institutions				
	Institutions (Ontario Reformatories, Industrial Farms, Ontario Training Schools and District Jails):				
Feb. 26, 1964	Salaries.....	250,000.00		216,535.72	
	Department of Transport				
	Main Office:				
Jan. 29, 1964	Maintenance.....	5,000.00		4,939.42	
Nov. 20, 1963	Fees and Expenses for Special Studies and Research	25,000.00		6,887.24	
	Ontario Highway Transport Board:				
Oct. 9, 1963	Salaries.....	12,000.00		8,991.11	
Oct. 9, 1963	Maintenance.....	6,000.00		4,474.56	
	Highway Safety Branch:				
Mar. 11, 1964	Salaries.....	4,000.00		2,830.69	
	Motor Vehicles Administration:				
Feb. 20, 1964	Maintenance.....	170,000.00		168,041.37	
Jan. 8, 1964	Registration, Plates and Supplies.....	50,000.00		46,814.27	
	Motor Vehicle Accident Claims Fund:				
Oct. 9, 1963	Fees, etc.....	250,000.00		167,715.55	
		522,000.00		410,694.21	

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Travel and Publicity		
	Main Office:		
Oct. 9, 1963	Salaries	14,000.00	13,565.27
Dec. 18, 1963	Travelling Expenses	6,000.00	5,992.86
	Administrative Branch:		
Mar. 4, 1964	Salaries	1,500.00	1,446.39
	Advertising Branch:		
Feb. 19, 1964	Advertising	3,200.00	3,161.99
	Tourist Promotion and Information Branch:		
	Operation of Official Reception Centres, etc., including Purchase and Rental of Equipment, etc.:		
July 10, 1963	Order	\$ 6,000.00	
Feb. 19, 1964	Order	4,000.00	
Mar. 4, 1964	Order	25,000.00	
		35,000.00	33,742.07
	Tourist Industry Development Branch:		
Mar. 11, 1964	Travelling Expenses	5,000.00	4,634.83
	Division of Archives:		
Mar. 4, 1964	Salaries	6,000.00	4,495.90
Oct. 23, 1963	Grants	4,000.00	3,769.86
	Theatres Branch:		
Feb. 19, 1964	Maintenance	1,500.00	784.08
	The Ontario-St. Lawrence Development Commission:		
	Construction and Development:		
Aug. 28, 1963	Order	\$ 25,000.00	
Sept. 4, 1963	Order	21,000.00	
		46,000.00	45,116.73
		122,200.00	116,709.98
	Treasury Department		
	Main Office:		
Mar. 11, 1964	Maintenance	10,000.00	3,968.93
Mar. 25, 1964	Premium on Fidelity Bonds	3,800.00	3,771.53
Feb. 20, 1964	Dominion-Provincial Conferences	3,000.00	2,314.87
May 29, 1963	Expenses for Special Studies, etc.	300,000.00	242,869.43
Jan. 8, 1964	Miscellaneous Grants	21,000.00	20,464.58
	Revenue Division:		
April 15, 1964	Bank Charges, Legal Fees, Valuations, etc.	13,000.00	10,571.55
	Data Processing Branch:		
Mar. 25, 1964	Maintenance	10,000.00	9,991.02
		360,800.00	293,951.91
	Total Ordinary Treasury Board Orders	27,522,351.00	18,103,088.20

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	CAPITAL		
	Department of Agriculture		
Feb. 19, 1964	Main Office: Loans in accordance with The Co-operative Loans Act.....	226,000.00	180,754.00
	Department of Highways		
Mar. 25, 1964	Construction and Other Capital Projects: King's Highways and Secondary Highways (The Highway Improvement Act, Sections 22, 23, 41, 100 and 108).....	5,000,000.00	4,284,266.70
April 8, 1964	Municipal Subsidies (The Highway Improvement Act, Sections 51, 55, 59, 60, 61, 67, 70, 71, 75, 78, 79, 80, 83, The Municipality of Metropolitan Toronto Act, Section 78, and The Municipal Subsidies Adjustment Act, Section 1).....	3,800,000.00	2,572,180.28
		8,800,000.00	6,856,446.98
	Department of Public Welfare		
Mar. 11, 1964	Welfare Allowances Branch: Old Age Assistance in accordance with The Old Age Assistance Act, etc.....	304,000.00	263,660.12
Mar. 11, 1964	Allowances in accordance with The Blind Persons' Allowances Act, etc.....	36,000.00	35,246.26
Mar. 11, 1964	Allowances in accordance with The Disabled Persons' Allowances Act, etc.....	231,000.00	222,169.06
		571,000.00	521,075.44
	Total Capital Treasury Board Orders.....	9,597,000.00	7,558,276.42
	Total Treasury Board Orders.....	37,119,351.00	25,661,364.62

*Indicates funds used for temporary financing during the fiscal year.

SPECIAL WARRANTS

STATEMENT OF SPECIAL WARRANTS ISSUED DURING THE FISCAL YEAR
ENDED MARCH 31, 1964

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	ORDINARY		
	Department of Agriculture		
June 13, 1963	Setting up and administration of The Ontario Food Council for the period June 1, 1963 to March 31, 1964, as provided for in Bill 105, 1962-63, "An Act to Provide for the Establishment of an Ontario Food Council".....	40,000.00	30,112.62
	Department of Attorney General		
May 23, 1963	Ontario Provincial Government share of the pension granted to Mr. Edward A. Armour under Section 2 of The City of Toronto Act, 1959.....	500.00	483.33
Oct. 10, 1963	Assisting the Corporation of the Town of Hawkesbury to establish a new survey and title network under The Boundaries Act and The Land Titles Act....	16,000.00	16,000.00
		16,500.00	16,483.33
	Department of Education		
July 11, 1963	Establishment and development of Brock University	393,000.00	393,000.00
Aug. 29, 1963	Participating with the Departments of Economics and Development and Labour and the Ontario Economic Council in a conference on automation and social changes.....	10,000.00	10,000.00
Oct. 10, 1963	Holding a conference on September 4 and 5, 1963 on the design and construction of school buildings in Ontario.....	16,500.00	15,448.41
Dec. 30, 1963	Research and investigation to determine how the needs of youth in Ontario can be met and to set up the administration of the Youth Branch in the Ontario Department of Education.....	9,700.00	2,632.74
		429,200.00	421,081.15
	Department of Health		
Dec. 12, 1963	Special capital grant to the Plummer Memorial Public Hospital, Sault Ste. Marie, Ontario.....	6,346.20	6,346.20
	Department of Municipal Affairs		
June 6, 1963	Aid of drainage work in accordance with The Drainage Act, 1962-63.....	583,000.00	582,994.70
Oct. 10, 1963	Reimbursing the Village of Point Edward for legal costs and disbursements incurred in litigation respecting Section 64 of The Ontario Municipal Board Act, subsequently amended by Bill 154, 1962-63.....	8,878.36	8,878.36
		591,878.36	591,873.06

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Prime Minister		
Jan. 9, 1964	Canteen Supplies for Her Majesty's Forces stationed in Ontario and Overseas.....	16,000.00	14,291.16
	Department of Provincial Secretary		
Jan. 9, 1964	Expenses in connection with the official delegate of the Ontario Government of the Commonwealth Parliamentary Association Conference which was held in Kuala Lumpur, Malaya, commencing October 23, 1963.....	1,000.00	1,000.00
	Department of Public Welfare		
June 27, 1963	Canadian Indian Centre of Toronto for the purpose of assisting the said organization in its work with Indian individuals and families who have taken up residence in The Municipality of Metropolitan Toronto.....	4,000.00	4,000.00
June 27, 1963	Central Neighbourhood House, Toronto, for the purpose of assisting the said organization in its work with Indian individuals and families who have taken up residence in The Municipality of Metropolitan Toronto.....	2,500.00	2,500.00
Aug. 1, 1963	Bursaries for students engaged in graduate social work studies and the meeting of the travelling and living expenses of municipal public welfare personnel who attend a public welfare training course, etc.....	67,000.00	28,643.11
Oct. 31, 1963	County of Grey Home for the Aged for the purpose of meeting fifty per cent of the costs incurred by the said Home for the Aged in the matter of a judicial inquiry into the affairs and operation of the said Home for the Aged held before His Honour Judge C. E. Bennett on the 17th, 18th, 19th and 20th days of December, 1962.....	1,848.67	1,848.67
		75,348.67	36,991.78
	Department of Reform Institutions		
July 11, 1963	Compassionate Allowances to ex-inmates of Reform Institutions who were injured and permanently disabled while in custody.....	2,300.00	1,877.18
	Treasury Department		
July 25, 1963	Payment of expenses of the Royal Commission on Crime in Ontario:		
Oct. 10, 1963	Warrant..... \$ 37,000.00		
	Warrant..... 1,000.00		
		38,000.00	37,384.60
	Total Special Warrants.....	1,216,573.23	1,157,441.08

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Ontario. **PROVINCIAL
AUDITOR'S
REPORT**

(1964-65)

(PROVINCE OF ONTARIO)

(PRINTED BY ORDER OF)
(THE LEGISLATIVE ASSEMBLY OF ONTARIO)



(TORONTO)
(PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER)
1965

PROVINCIAL
AUDITOR'S
REPORT
1964-65

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO
SESSIONAL PAPER No. 3, 1966



ONTARIO

TORONTO
PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER
1965

TO THE HONOURABLE W. EARL ROWE, P.C.(C.), LL.D., D.Sc.Soc.,
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

The undersigned has the honour to present to Your Honour the following report for the fiscal year ended March 31st, 1965, in accordance with the requirements of The Audit Act.

Respectfully submitted,

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Provincial Auditor's Office,
Toronto, November 26, 1965.

REPORT OF THE PROVINCIAL AUDITOR TO THE
LEGISLATIVE ASSEMBLY OF ONTARIO FOR THE
FISCAL YEAR ENDED MARCH 31ST, 1965, IN
ACCORDANCE WITH THE REQUIREMENTS OF
THE AUDIT ACT.

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REPORT OF THE PROVINCIAL AUDITOR

1964 - 1965

I have the honour to report to the Legislative Assembly on the examination and audit of the accounts of the Province of Ontario for the fiscal year ended March 31, 1965, in accordance with the requirements of section 20 of The Audit Act.

I have examined the Balance Sheet of the Province of Ontario as at March 31, 1965, the Statements of Revenue and Expenditure for the year ended on that date and other related statements, and have compared them with the books of account and financial records. I have obtained all the information and explanations I have required.

Subject to the qualifications in this report, in my opinion and according to the best of my information and the explanations given to me and as shown by the books of the Province, the Balance Sheet, Statements of Revenue and Expenditure and other related statements are properly drawn up in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year so as to present fairly the financial position of the Province as at March 31, 1965, and the results of its operations for the year then ended.

BASIS OF ACCOUNTING

The accounts of the Province of Ontario have been kept on a cash basis as in previous years for the reason that this system of accounting has great advantages from the parliamentary point of view by providing a clear basis for departmental accountability for the receipt and disbursement of public funds. The Balance Sheet has been prepared so as to present the financial position of the Province at March 31, 1965 on a modified accrual basis with the adjustments necessary to give effect thereto being made through Surplus Account.

OPERATIONS FOR 1964-65

The Honourable James N. Allan, as Treasurer of Ontario, in his address to the Legislative Assembly of Ontario on February 12, 1964, presented budget forecasts of ordinary revenue and expenditure and of capital receipts and disbursements for the fiscal year ended March 31, 1965, and in his address to the Legislative Assembly of Ontario on February 10, 1965, presented interim statements of ordinary revenue and expenditure and of capital receipts and disbursements for the same fiscal year, consisting of eight months' actual results and four months' forecast.

The following statements compare the budget forecasts after including Supplementary Estimates with the actual results for the fiscal year ended March 31, 1965. Comparative summaries of the interim statements (eight months' actual plus four months' forecast) and the actual results for the fiscal year ended March 31, 1965, are appended to this report together with certain other statements and charts presenting information on the financial operations of the Province as detailed on page 36 of this report.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL ORDINARY REVENUE
FOR THE FISCAL YEAR APRIL 1, 1964, TO MARCH 31, 1965**

DEPARTMENT	BUDGET ORDINARY REVENUE	NET ACTUAL ORDINARY REVENUE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture.....	\$ 2,203,000	\$ 2,396,856	\$ 193,856	\$
Attorney General.....	12,027,000	12,543,864	516,864	
Economics and Development.....	2,000	17,141	15,141	
Education.....	3,893,000	5,355,203	1,462,203	
Energy and Resources Management.....	255,000	299,663	44,663	
Health.....	1,618,000	4,669,555	3,051,555	
Highways.....	2,575,000	2,964,070	389,070	
Labour.....	1,387,000	1,470,024	83,024	
Lands and Forests.....	23,285,000	23,273,311		11,689
Mines.....	10,200,000	16,153,324	5,953,324	
Municipal Affairs.....	351,000	579,666	228,666	
Prime Minister.....		57	57	
Provincial Secretary and Citizenship.....	2,540,000	3,095,512	555,512	
Public Welfare.....	25,000	30,169	5,169	
Public Works.....	1,348,000	1,273,952		74,048
Reform Institutions.....	832,000	868,144	36,144	
Tourism and Information.....	1,146,000	1,126,740		19,260
Transport.....	79,950,000	88,811,338	8,861,338	
Treasury:				
Main Office—Subsidies.....	4,624,000	4,624,070	70	
Interest.....	72,000	72,633	633	
Miscellaneous.....		18,884	18,884	
Ontario Racing Commission.....	150,000	128,931		21,069
Liquor Control Board of Ontario.....	110,000,000	113,000,000	3,000,000	
Public Utilities Tax.....	900,000	1,064,271	164,271	
Water Power Rentals.....	5,200,000	5,648,380	448,380	
Pension Commission of Ontario ..		76,478	76,478	
International Transit Company Limited—Excess recovered on realization of Investment.....		248,401	248,401	
Comptroller of Revenue—				
Income Tax Collection Agree- ment.....	192,000,000	195,842,112	3,842,112	
Federal Payment re share of Estate Tax.....		15,116,000	15,116,000	
Corporations Tax.....	207,000,000	232,543,374	25,543,374	
Succession Duty.....	51,000,000	48,682,507		2,317,493
Retail Sales Tax.....	190,000,000	195,298,715	5,298,715	
Gasoline Tax.....	218,000,000	221,188,555	3,188,555	
Motor Vehicle Fuel Tax.....	11,300,000	12,008,230	708,230	
Hospitals Tax.....	4,300,000	5,404,781	1,104,781	
Security Transfer Tax.....	3,000,000	4,214,555	1,214,555	
Race Tracks Tax.....	9,000,000	9,372,658	372,658	
Land Transfer Tax.....	4,400,000	5,381,180	981,180	
Logging Tax.....	3,000,000	2,381,189		618,811
Total for Treasury.....	<u>\$1,013,946,000</u>	<u>\$1,072,315,904</u>	<u>\$61,327,277</u>	<u>\$2,957,373</u>
	<u>\$1,157,583,000</u>	<u>\$1,237,244,493</u>	<u>\$82,723,863</u>	<u>\$3,062,370</u>

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL ORDINARY EXPENDITURE
FOR THE FISCAL YEAR APRIL 1, 1964, TO MARCH 31, 1965**

DEPARTMENT	BUDGET* ORDINARY EXPENDITURE	NET ACTUAL ORDINARY EXPENDITURE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture.....	\$ 20,905,000	\$ 20,481,926	\$	\$ 423,074
Attorney General.....	32,083,000	34,165,803	2,082,803	
Civil Service.....	1,058,000	1,012,911		45,089
Economics and Development.....	9,588,000	9,857,115	269,115	
Education.....	412,265,000	416,852,568	4,587,568	
Energy and Resources Management	6,480,200	6,119,865		360,335
Health.....	160,437,000	154,601,128		5,835,872
Highways.....	86,339,000	88,538,129	2,199,129	
Labour.....	5,163,000	5,086,661		76,339
Lands and Forests.....	27,858,000	28,667,275	809,275	
Lieutenant Governor.....	27,000	26,121		879
Mines.....	2,460,000	2,545,421	85,421	
Municipal Affairs.....	43,213,000	41,221,618		1,991,382
Prime Minister.....	211,000	214,966	3,966	
Provincial Auditor.....	557,000	533,649		23,351
Provincial Secretary and Citizenship	4,260,000	5,136,373	876,373	
Public Welfare.....	72,581,000	69,169,714		3,411,286
Public Works.....	12,697,000	13,781,548	1,084,548	
Reform Institutions.....	17,509,000	16,883,724		625,276
Tourism and Information.....	4,585,000	5,003,145	418,145	
Transport.....	6,941,000	7,208,163	267,163	
Treasury.....	19,167,000	19,977,573	810,573	
University Affairs.....		233,436	233,436	
Stationery Account.....		44,206	44,206	
	<u>\$ 946,384,200</u>	<u>\$ 947,363,038</u>	<u>\$13,771,721</u>	<u>\$12,792,883</u>
Public Debt:				
Interest, etc.....	68,734,000	62,440,779		6,293,221
Provision for Sinking Fund.....	40,000,000	40,000,000		
Total Budget.....	<u>\$1,055,118,200</u>	<u>\$1,049,803,817</u>	<u>\$13,771,721</u>	<u>\$19,086,104</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	117,000,000	187,000,000	70,000,000	
	<u>\$1,172,118,200</u>	<u>\$1,236,803,817</u>	<u>\$83,771,721</u>	<u>\$19,086,104</u>

**COMPARATIVE SUMMARY
BUDGET AND ACTUAL ORDINARY REVENUE AND ORDINARY EXPENDITURE
FOR THE FISCAL YEAR APRIL 1, 1964, TO MARCH 31, 1965**

	BUDGET*	ACTUAL	ACTUAL TO BUDGET
Net Ordinary Revenue.....	\$1,157,583,000	\$1,237,244,493	\$79,661,493
Less: Net Ordinary Expenditure (before items below).....	\$1,015,118,200	\$1,009,803,817	\$ 5,314,383
Provision for Sinking Fund.....	40,000,000	40,000,000	
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	117,000,000	187,000,000	70,000,000
Net Ordinary Expenditure.....	<u>\$1,172,118,200</u>	<u>\$1,236,803,817</u>	<u>\$64,685,617</u>
Surplus.....	<u>\$ 14,535,200</u>	<u>\$ 440,676</u>	<u>\$14,975,876</u>

*Includes Supplementary Estimates.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL CAPITAL RECEIPTS
FOR THE FISCAL YEAR APRIL 1, 1964, TO MARCH 31, 1965**

DEPARTMENT	BUDGET CAPITAL RECEIPTS	NET ACTUAL CAPITAL RECEIPTS	ACTUAL TO BUDGET INCREASE	DECREASE
Economics and Development:				
Loans and Advances—				
Ontario Housing Corporation.....	\$ 1,750,000	\$ 958,402	\$	\$ 791,598
Education:				
Loans and Advances—				
Provincial Student-Aid Loans.....	1,000,000	1,023,066	23,066	
Energy and Resources Management:				
Abandoned Works Fund—Fees.....	1,000	3,387	2,387	
Contract Security Deposits.....		5,000	5,000	
Conservation Authority—Recovery...		785	785	
Highways:				
Sale of Land and Buildings.....	640,000	357,341		282,659
Contract Security Deposits.....		52,844	52,844	
Miscellaneous.....		529,288	529,288	
Labour:				
Vacation-with-Pay Stamps.....	9,500,000	8,620,918		879,082
Contract Security Deposits.....		800	800	
Lands and Forests:				
Sale of Land.....	530,000	512,998		17,002
Logging Roads.....	450,000	255,854		194,146
Contract Security Deposits.....		5,840	5,840	
Mines:				
Sale of Mining Lands.....	5,000	2,209		2,791
Deposit re Mining Tax under dispute.		1,125	1,125	
Contract Security Deposits.....		637	637	
Public Welfare:				
Old Age Assistance, etc.....		9,582	9,582	
Public Works:				
Sale of Land and Buildings, etc.....		78,760	78,760	
Contract Security Deposits.....		3,506	3,506	
Transport:				
Motor Vehicle Accident Claims Fund	3,975,000	4,680,760	705,760	
Treasury:				
Appropriation from Ordinary				
Account—				
Provision for Sinking Fund.....	40,000,000	40,000,000		
Loans and Advances.....	3,978,000	4,156,754	178,754	
Special Funds—				
Public Service Superannuation Fund	36,000,000	35,813,977		186,023
Public Service Retirement Fund....	1,340,000	1,550,602	210,602	
Ontario Municipal Employees				
Retirement Fund.....	1,425,000	1,300,000		125,000
Other.....	614,000	16,405,104	15,791,104	
Discount and Exchange on				
Debentures.....	1,850,000	1,733,210		116,790
Other.....		152,483	152,483	
	<u>\$103,058,000</u>	<u>\$118,215,232</u>	<u>\$17,752,323</u>	<u>\$2,595,091</u>

COMPARATIVE STATEMENT OF BUDGET AND ACTUAL CAPITAL DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1964, TO MARCH 31, 1965

DEPARTMENT	BUDGET CAPITAL DISBURSE- MENTS	NET ACTUAL CAPITAL DISBURSE- MENTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture:				
The Co-operative Loans Act—Loans.....	\$ 750,000	\$ 138,966	\$	\$ 611,034
Economics and Development:				
Ontario Housing Corporation.....	6,099,000	1,241,991		4,857,009
The Sheridan Park Corporation.....		2,000,000	2,000,000	
Education:				
Provincial Student-Aid Loans.....	3,000,000	114,470		2,885,530
Energy and Resources Management:				
Assistance for Rural Power Transmission Lines.....	1,160,000	519,872		640,128
Conservation Authorities—Grants.....	5,350,000	4,636,816		713,184
Ontario Water Resources Commission— Plant and Equipment.....	20,000,000	7,399,598		12,600,402
Water Management Program.....	1,600,000	193,261		1,406,739
Health:				
Loans—The Public Hospitals Act, Sec. 5a Highways:		3,079,000	3,079,000	
Highway Construction.....	127,732,000	124,628,384		3,103,616
Property Purchases.....	8,000,000	7,507,472		492,528
Development and Other Roads.....	15,800,000	14,950,790		849,210
Municipal Subsidies.....	61,500,000	63,396,540	1,896,540	
Contingencies.....	35,000	14,812		20,188
Labour: Vacation-with-Pay Stamps.....	9,500,000	8,665,774		834,226
Land and Forests:				
Access Roads.....	100,000	389,436	289,436	
Logging Roads.....	900,000	255,854		644,146
Acquisition of Land.....	5,000,000	917,485		4,082,515
Lines: Mining and Access Roads.....	1,000,000	999,873		127
Municipal Affairs:				
Townsites—Investigation, Design, etc.....	666,000	325,850		340,150
Loans to Improvement Districts.....	700,000	590,000		110,000
Purchase of Debentures for Subway Pur- poses—The Municipality of Metropolitan Toronto.....	20,000,000	20,000,000		
Municipal Works Assistance.....		5,860,323	5,860,323	
Public Welfare: Old Age Assistance, etc.....		44,096	44,096	
Public Works:				
Purchase of Property and Construction of Buildings.....	35,000,000	36,154,560	1,154,560	
Construction of Dams, Docks and Locks...	975,000	973,323		1,677
Transport:				
Motor Vehicle Accident Claims Fund.....	4,630,000	3,339,569		1,290,431
Treasury:				
Tile Drainage Debentures.....	1,250,000	1,921,016	671,016	
The Ontario Municipal Improvement Cor- poration—Advances.....	500,000	1,384,500	884,500	
The Ontario Junior Farmer Establishment Loan Corporation—Advances.....	5,000,000	9,200,000	4,200,000	
Registry Offices Surplus Fees.....	300,000	459,901	159,901	
Public Service Superannuation Fund.....	11,024,000	12,082,819	1,058,819	
Public Service Retirement Fund.....	1,150,000	1,501,778	351,778	
Legislative Assembly Retirement Allowances Account.....	75,000	70,420		4,580
Queen Elizabeth II Ontario Scholarship Fund	32,000	24,874		7,126
Refunds of Capital Receipts, prior years...	200,000	205,562	5,562	
The Ontario Universities Capital Aid Cor- poration—Advances.....		45,600,000	45,600,000	
Government of Canada Repayment under Tax Rental Agreement, 1952-56.....		223,731	223,731	
Other.....		28,646	28,646	
	<u>\$349,028,000</u>	<u>\$381,041,362</u>	<u>\$67,507,908</u>	<u>\$35,494,546</u>
Less: Financed out of Ordinary Revenue.....	117,000,000	187,000,000	70,000,000	
	<u>\$232,028,000</u>	<u>\$194,041,362</u>	<u>\$ 2,492,092</u>	<u>\$35,494,546</u>

The estimated gross expenditure for the year as shown on page 5 of the 1965 Estimates was \$1,458,890,000. In addition to this amount Supplementary Estimates of \$15,390,200 were voted by the Legislature in March 1965. Taking into account the Supplementary Estimates, the total estimates for the year amounted to \$1,474,280,200. The related actual gross expenditure was \$1,504,521,792, a net increase of \$30,241,592.

In the Budget Statement presented by the Treasurer of Ontario on February 12, 1964, as shown in the Budget Forecast of Ordinary Expenditure on page 41, it was estimated that \$117,000,000 of Capital Disbursements would be financed out of Ordinary Revenue. The actual net revenue of the Province for the fiscal year ended March 31, 1965 permitted \$187,000,000 to be applied to Capital Disbursements, an increase of \$70,000,000 over the amount forecast.

The following analysis summarizes the increase in gross actual expenditure over total estimated gross expenditure.

**ANALYSIS OF GROSS EXPENDITURE
FOR THE FISCAL YEAR ENDED MARCH 31, 1965**

CLASSIFICATION	TOTAL ESTIMATES	GROSS ACTUAL	GROSS ACTUAL OVER ESTIMATES	GROSS ACTUAL UNDER ESTIMATES
Ordinary—				
Voted—				
Main Estimates.....	\$ 919,094,000			
Supplementary Estimates..	15,390,200			
	<u>\$ 934,484,200</u>	<u>\$ 931,242,564</u>		<u>\$ 3,241,636</u>
Statutory.....	170,969,000	170,475,056		493,944
Special Warrants.....		2,132,899	\$ 2,132,899	
Capital Disbursements financed out of Ordinary Revenue..	117,000,000	187,000,000	70,000,000	
	<u>\$1,222,453,200</u>	<u>\$1,290,850,519</u>	<u>\$72,132,899</u>	<u>\$ 3,735,580</u>
Capital—				
Voted—				
Main Estimates.....	\$ 323,506,000	\$ 292,669,262		\$30,836,738
Statutory.....	45,321,000	107,502,011	\$62,181,011	
Special Warrant.....		500,000	500,000	
	<u>\$ 368,827,000</u>	<u>\$ 400,671,273</u>	<u>\$62,681,011</u>	<u>\$30,836,738</u>
Deduct—				
Capital Disbursements financed out of Ordinary Revenue.....	117,000,000	187,000,000	70,000,000	
	<u>\$ 251,827,000</u>	<u>\$ 213,671,273</u>	<u>\$ 7,318,989</u>	<u>\$30,836,738</u>
	<u><u>\$1,474,280,200</u></u>	<u><u>\$1,504,521,792</u></u>	<u><u>\$64,813,910</u></u>	<u><u>\$34,572,318</u></u>

**Summary of Net Increases or Decreases in Gross Actual as compared
with Total Estimates of Gross Expenditures**

CLASSIFICATION	INCREASE	DECREASE
Voted.....		\$34,078,374
Statutory.....	\$61,687,067	
Special Warrants.....	2,632,899	
	<u>\$64,319,966</u>	<u>\$34,078,374</u>

The net increase or decrease in gross actual as compared with total estimates of gross expenditure under the classification of voted, statutory and special warrants is commented on as follows:

VOTED

For the year ended March 31, 1965 the Legislative Assembly authorized expenditure appropriations in the amount of \$1,257,990,200. Of this amount \$934,484,200 was for ordinary account and \$323,506,000 for capital account. Actual gross expenditure charged to appropriations amounted to \$1,223,911,826 of which \$931,242,564 pertained to ordinary account and \$292,669,262 to capital account. Thus the actual gross expenditure was \$34,078,374 less than the amount authorized. The principal under-expenditures in this amount relate to the construction of plant and equipment by the Ontario Water Resources Commission \$12,600,402, shared cost of education under Federal-Provincial Agreements \$6,934,664, a net under-expenditure in Health Services \$6,551,178, expenditure under the Federal-Provincial Partnership Agreement as set out in The Housing Development Act \$5,357,009, and acquisition of land to provide parks, etc., \$4,082,515. The main over-expenditure related to general legislative grants to school boards in an amount of \$10,696,293.

In all cases where the actual expenditure exceeded the original appropriation, the necessary authority was obtained by treasury board order before the accounts were approved for payment. The total treasury board orders authorized amounted to \$41,317,100, consisting of \$37,150,100 for ordinary account and \$4,167,000 for capital account with actual expenditures relative thereto amounting to \$35,094,478 of which \$31,926,320 applied to ordinary account and \$3,168,158 to capital account. The total amount of treasury board orders issued during the year was in excess of the total actual expenditure by \$6,222,622. Included in this amount were treasury board orders totalling \$229,100 used for temporary financing during the fiscal year. The expenditures of \$35,094,478 form part of the total gross expenditure of \$1,223,911,826 referred to above and are not in addition thereto.

Details of treasury board orders issued and the amounts expended are shown on pages 60-73 of this report.

It will be noted from the amounts shown in the Analysis of Gross Expenditure that the total Gross Actual Voted Expenditure which includes expenditures under treasury board orders, is less than the total of the related gross estimates. The same situation exists with respect to Net Expenditure which is shown in graphic form for the past ten years on pages 44-45 of this report.

STATUTORY

The Estimates for the year 1964-65 forecast \$216,290,000 gross expenditure under statutory authority. Of this amount, \$170,969,000 was for ordinary account and \$45,321,000 for capital account. Actual gross statutory expenditure

amounted to \$277,977,067 consisting of \$170,475,056 ordinary expenditure and \$107,502,011 capital expenditure, excluding public debt expenditure. The actual total gross statutory expenditure exceeded the estimates by \$61,687,067. The major items of actual expenditures in excess of the amounts estimated relate to advances to The Ontario Universities Capital Aid Corporation \$45,600,000, advances under The Municipal Works Assistance Act, \$5,860,323, advances to The Ontario Junior Farmer Establishment Loan Corporation \$4,200,000, advances under The Public Hospital Act, section 5a, for loans to hospitals, \$3,079,000, and advances to The Sheridan Park Corporation \$2,000,000.

SPECIAL WARRANTS

Special Warrants were authorized under subsection 1, section 29, of The Financial Administration Act in the amount of \$4,176,500 during the year ended March 31, 1965. Actual expenditures relative thereto amounted to \$2,632,899. The actual expenditures under Special Warrants exceeded those of the preceding year by \$1,475,458.

Details of Special Warrants issued and amounts expended will be found on pages 74-76 of this report.

PRINCIPAL ITEMS OF NET ORDINARY REVENUE AND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1965

An analysis of net ordinary revenue and expenditure for the fiscal year ended March 31, 1965 showing the percentage of each item to the total, classified by major categories, is presented in the following statement:

NET ORDINARY REVENUE

		%
Corporations Tax.....	\$ 232,543,374	18.81
Gasoline Tax.....	221,188,555	17.89
Income Tax.....	195,842,112	15.83
Retail Sales Tax.....	195,298,715	15.78
Liquor Profits, Gallonage Tax, etc.....	113,000,000	9.13
Motor Vehicle Permits and Licences, Fees, etc.....	88,685,196	7.17
Succession Duty.....	48,682,507	3.93
Government of Canada—Proportion of Estate Tax.....	15,116,000	1.22
Mines Profits Tax.....	14,386,389	1.16
Timber—Stumpage Charges.....	12,458,561	1.00
Motor Vehicle Fuel Tax.....	12,006,558	.97
Race Tracks Tax.....	9,372,658	.76
Administration of Justice—Fees, Fines, etc.....	8,961,580	.72
Fish and Wildlife Licences, Royalties, etc.....	5,729,078	.46
Water Power Rentals.....	5,648,380	.46
Hospitals Tax.....	5,403,079	.44
Land Transfer Tax.....	5,381,180	.43
Government of Canada—Annual Subsidies.....	4,624,070	.37
Security Transfer Tax.....	4,214,555	.34
All other revenue.....	38,701,946	3.13
	<u>\$1,237,244,493</u>	<u>100.00</u>

NET ORDINARY EXPENDITURE

		%
Education.....	\$ 416,852,568	33.71
Health Services.....	154,601,128	12.50
Public Debt—		
Interest, etc.....	\$62,440,778	
Provision for Sinking Fund.....	40,000,000	
	102,440,778	8.28
Highways and Roads.....	88,538,129	7.16
Public Welfare.....	69,169,714	5.59
Municipal Affairs—Grants to Municipalities.....	37,348,148	3.02
Law Enforcement.....	34,165,803	2.76
Conservation of Forests, Fish and Wildlife.....	28,667,275	2.31
Agricultural Services, Grants, etc.....	20,481,926	1.66
Reform Institutions.....	16,883,724	1.37
Public Buildings, Maintenance and Repairs, etc.....	13,781,548	1.11
All other expenditures.....	66,873,076	5.41
	<u>\$1,049,803,817</u>	<u>84.88</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	187,000,000	15.12
	<u>\$1,236,803,817</u>	<u>100.00</u>

A graphic presentation of the major items of net ordinary revenue and net ordinary expenditure shown on pages 40-43 of this report compares these items for the five years ended March 31, 1965.

GENERAL

The total net ordinary revenue of the Province as shown by the analysis on the previous page was \$1,237,244,493 for the year ended March 31, 1965. This is an increase of \$158,108,814 over the year ended March 31, 1964.

I refer hereunder to some of the larger items of revenue and expenditure and other matters relating to the operations for the year ended March 31, 1965.

Corporations tax, gasoline tax, individual income tax, retail sales tax, liquor control revenues, motor vehicle licenses and fees and succession duty continue to be the main sources of revenue providing \$1,095,240,459 or approximately ninety percent of the total net ordinary revenue of the Province. This was \$127,281,732 more than the amount collected from the same seven sources in the previous year. The balance of net ordinary revenue for the year of \$142,004,034 is the total from all other sources. These sources, although producing smaller individual amounts than those mentioned above, represent important operations of the Province.

The total net ordinary expenditure amounted to \$1,236,803,817 which was \$158,622,608 more than the preceding year. The chief items of ordinary expenditure, not including capital disbursements of \$187,000,000 financed out of ordinary revenue, were the cost of education, health services, public debt charges including provision for sinking fund, highways and welfare services. These five items accounted for approximately sixty-seven percent of the net ordinary expenditure. The cost of these items amounted to \$831,602,317 which was an increase of \$84,026,075 over the cost of the related items in the previous year. The remaining \$405,201,500 net ordinary expenditure was the cost of all other operations for the year under review. As in past years these latter operations continue to occupy a vital place in the overall programme of the Province.

During the year under review \$195,842,112 was received under The Income Tax Act, 1961-62 which was an increase of \$31,472,404 over the amount received in the previous year.

Under federal legislation passed in 1964 the rate of abatement from the personal income tax field was increased from 19% to 21% for the 1965 taxation year and from 20% to 24% for the 1966 taxation year. In order to take advantage of the change in the federal act the Province of Ontario at the 1965 spring session amended The Income Tax Act, 1961-62. The results of the change in rates will be reflected in the revenue of the Province in subsequent years.

The Province received from the Government of Canada a proportion of estate tax in the amount of \$15,116,000 during the year ended March 31, 1965. This payment is the result of the Federal Government decreasing its share of Federal estate tax, effective April 1, 1964, from 50% to 25%. Arrangements were made with the Federal Government to continue to collect its estate tax on Ontario estates at 50% of its rates and to pay to Ontario half the amount so collected.

In the fiscal year a repayment of \$223,731 was made to the Government of Canada under the terms of the Canada-Ontario Tax Rental Agreement 1952-56. This amount represents the excess of actual over estimated succession duty credits allowed by the Federal Department of National Revenue during the year ended March 31, 1964 in connection with estates of persons who died during the five-year period from April 1, 1952 to March 31, 1957. This payment relates to accounts of prior years and therefore has been charged to Surplus Account.

Education continues to be the most costly service provided by the Province, accounting for 33% of the total net ordinary expenditure for the year. The expenditure for the Department of Education amounted to \$416,852,568 which was an increase of \$35,811,240 over the previous year. In addition to the above, expenditures of the Department of University Affairs amounted to \$233,437. The Province also advanced capital funds to The Ontario Universities Capital Aid Corporation in the amount of \$45,600,000 to finance the purchase of Ontario university debentures.

Gross capital disbursements for investments in physical assets were made during the year as follows:

Highways.....	\$210,497,998	
Mining, Access and Logging Roads.....	1,645,163	
		\$212,143,161
Land and Buildings.....		36,020,191
General Works and Improvements:		
Municipal Drainage, Dams, Docks, etc.....	\$ 973,323	
Conservation Projects, etc.....	4,830,077	
Special Projects re Townsites.....	325,850	
		6,129,250
Rural Power Transmission Lines.....		519,872
Provincial Parks.....		917,485
		\$255,729,959
Less—Financed out of Ordinary Revenue.....		187,000,000
		<u>\$ 68,729,959</u>

The Department of Highways made gross capital disbursements during the year of \$210,497,998 on King's Highways, Development Roads and Municipal Road Subsidies which is an increase of \$11,600,742 over the previous year. In addition to the capital disbursements for the construction of highways and roads, ordinary expenditures of the Department of Highways for the year amounted to \$88,538,129 for the maintenance of highways and roads, and other operating expenses.

The Department of Mines disbursed \$999,873 for mining and access roads and the Department of Lands and Forests disbursed \$645,290 for forest access and logging roads.

Gross capital disbursements for the construction of new public buildings, alterations to buildings and the purchase of land and buildings amounted to \$36,020,191 for the year ended March 31, 1965.

General Works and Improvements were increased by gross capital disbursements of \$6,129,250.

The investment in Rural Power Transmission Lines was increased by a gross capital disbursement of \$519,872 to The Hydro-Electric Power Commission of Ontario to assist in rural electrification projects. This amount is \$304,606 less than the payment made in 1963-64.

Gross capital disbursements in the amount of \$917,485 were made during the year by the Department of Lands and Forests for the acquisition of land to provide for parks and recreational areas.

During the year ended March 31, 1965, \$187,000,000 or 73% of the gross capital disbursements invested in physical assets of the Province was financed out of ordinary revenue. This is an increase of \$56,000,000 when compared to the amount financed out of ordinary revenue in 1963-64.

A provision for Sinking Fund in the amount of \$40,000,000 was made through ordinary account. This is a decrease of \$1,500,000 under the amount provided for Sinking Fund in the previous year.

The Province contributed \$21,996,042 to the Teachers' Superannuation Fund in accordance with sections 23 and 24 of The Teachers' Superannuation Act and \$11,645,989 to the Public Service Superannuation Fund in accordance with section 8 of The Public Service Superannuation Act. For a number of years the Province made a special contribution of \$1,000,000 to each Fund to apply on the actuarial deficits shown by the valuation of the respective funds but in the year under review no special contributions were made.

An actuarial valuation of the Public Service Superannuation Fund made by Professor N. E. Sheppard, M.A., F.I.A., indicated an actuarial deficit or an

unfunded liability of \$74,102,000 as at March 31, 1962. Professor Sheppard estimated this initial unfunded liability to be \$82,616,000 as at January 1, 1965. Professor Sheppard also made an actuarial valuation of the Teachers' Superannuation Fund which indicated an unfunded liability of \$292,763,000 as at December 31, 1961. This initial unfunded liability was estimated by Professor Sheppard to be \$330,861,000 as at January 1, 1965. Both of these estimates as at January 1, 1965 were made for the purpose of determining the annual interest payments to be made by the Province pursuant to Regulation 7 under The Pension Benefits Act, 1962-63.

In the 1965-66 Estimates of the Province of Ontario provision is made for a payment of \$4,131,000 to the Public Service Superannuation Fund and a payment of \$14,889,000 to the Teachers' Superannuation Fund to apply on the unfunded liability of the respective Funds. These amounts represent interest on the estimated initial unfunded liability of each Fund. These payments, when made, will comply with the requirements of section 7, subsection 2b of the Regulations under The Pension Benefits Act, 1962-63. While the provision for the payment in the year 1965-66 should keep the estimated initial deficit from increasing, it will be necessary to give consideration to the funding of any further deficiency which is bound to result from salary increases since the last actuarial valuation to date. In estimating the unfunded liability of each Fund at January 1, 1965, no effect was given to salary increases since the last actuarial valuation.

A review of the Supplementary Estimates presented to the Legislature for the past several years reveals that certain special grants for the same purposes have been repeated each year. In my opinion an earlier determination should be made of the needs of these recipients so that the amounts could be presented in the regular Estimates of the Province and thus be included in the Annual Budget for the year.

At the last Session of the Legislative Assembly of Ontario which was convened on January 20, 1965 a Standing Committee on Public Accounts was established. The committee held a total of twenty meetings during the Session and examined the 1963-64 expenditures as set out in the Public Accounts as follows:

1. The Department of Public Works.
2. The Department of Highways.
3. The Department of Civil Service.
4. The Queen's Printer.

I was present, or was represented by the Assistant Provincial Auditor, at all the meetings except those during which the committee drafted its report. The report of the Committee was tabled in the House on June 10, 1965.

AUDIT OF REVENUE

A continuous post audit of the revenues of the Province is being maintained. The revenue records and related data of various Departments have been examined during the year, in accordance with the practice of previous years, employing all procedures deemed necessary to conform with generally accepted auditing standards applicable in the circumstances.

The Departments are directly responsible for the clerical accuracy of revenue accounts, the efficiency of systems in operation and the speed with which billings and assessments are made and collection effected. While the Auditor is concerned with these factors his prime interest is to ensure that a proper internal control is maintained in these areas. Since the accuracy and reliability of accounting records depend upon efficient systems and internal controls it is the practice to examine the existing systems and procedures of the various Departments visited to determine the effectiveness of these controls.

In certain categories of revenue where a great number of individual transactions must be dealt with in the most efficient and equitable manner, it is noted that small amounts, generally less than one dollar, may be omitted from billing and refund procedures where the cost of processing such items would be in excess of the amounts involved.

In connection with the continuous review of the operations of the Corporations Tax Branch of the Treasury Department I wish to direct attention to the number of corporation tax returns assessed each year in relation to the number of returns filed each year. The number of assessments completed during a given year is considerably less than the number of returns filed during a year. The number of unassessed returns on hand at the end of each fiscal year has gradually increased during the past five years. While the individual corporation estimates the amount of tax due and remits payment each year, the amount is subject to verification and assessment by the Corporations Tax Branch. It is not possible to complete assessments immediately upon receipt of the returns but the number of unassessed returns on hand should not be allowed to accumulate beyond a reasonable level. Every effort should be made to keep corporation tax assessments in as current a position as possible.

Reports on the various audits and examinations performed during the year have been submitted to the Ministers of the Departments concerned, and to the officials of Boards and Commissions where applicable. The information obtained as a result of these examinations is most important in determining the reliability of the accounting process and enables me to be of the opinion that a proper accounting is being made of the revenue of the Province.

AUDIT OF EXPENDITURE

Throughout the year ended March 31, 1965, in accordance with the provisions of The Audit Act, a continuous examination has been made of the accounts of expenditure of public moneys out of the Consolidated Revenue Fund whether held in trust or otherwise.

Under authority granted to the Provincial Auditor in section 9 of The Audit Act, certain expenditure vouchers were admitted as satisfactory after determining that they had been examined and certified correct by the departments concerned and having regard to the character of the departmental examination. Where vouchers were admitted under section 9 of The Audit Act, extensive tests were made of representative transactions.

Under the provisions of The Audit Act, no payment for expenditures from the Consolidated Revenue Fund can be made until the Provincial Auditor has satisfied himself that there is legislative authority for the payment, that there is a legislative appropriation sufficient to cover the proposed expenditure and that the payment is proper in all other respects. The procedure followed to give effect to the above provisions is generally described as a "pre-audit" of expenditures. There are many advantages to a pre-audit procedure but the main one is that corrective action can be taken where indicated before payment is made and the transaction completed.

Few critical observations concerning expenditures are made in the annual report of the Provincial Auditor for the reason that any accounts questioned in the course of the pre-audit are directed to the attention of the responsible departmental officers, with the result that the transactions questioned are adjusted and corrected before the accounts are closed for the year.

In my previous report I recommended that appropriations be provided by the Province to cover operating losses of the Ontario Northland Transportation Commission and The Ontario Junior Farmer Establishment Loan Corporation. In the Supplementary Estimates passed by the Legislative Assembly at the 1965 Session provision was made for a payment of \$858,200 to the Ontario Northland Transportation Commission to compensate for the loss on operations for the year ended December 31, 1963.

The operations of the Ontario Northland Transportation Commission have again resulted in a loss for the year ended December 31, 1964 amounting to \$861,526. The operations of the commercial communications system of the railroad produced a net profit of \$1,717,293 as compared to \$1,228,191 in the previous year. The Star Transfer Limited, a wholly-owned subsidiary, operated at a profit and paid a dividend of \$40,500 to the Commission during the year. However, these revenues were more than offset by losses in other railroad operations. I would recommend that the loss of \$861,526 in 1964 be dealt with in a similar manner to the loss of the previous year.

The Ontario Junior Farmer Establishment Loan Corporation operated at a loss of \$189,944 for the year ended March 31, 1965. The Corporation has operated at a loss for the past eight years and the accumulated deficit now amounts to \$1,200,375. This situation is the result of the revenue from mortgages outstanding being insufficient to meet the cost of borrowed funds. In the accounts of the Province the deficit of the Corporation has been charged to a Reserve for Farm Loans.

The Sheridan Park Corporation from its inception on May 8, 1964 to March 31, 1965 operated at a loss of \$47,679. This loss was charged to Surplus Account on the Balance Sheet of the Province.

In my opinion, consideration should be given to providing appropriations from "ordinary" account of the Province to cover losses such as those mentioned on the previous page in order that the overall picture of government operations may be reflected in the Public Accounts.

BALANCE SHEET

The balance sheet of the Province does not include as an asset the value of Crown timber, mineral wealth and surface value of Crown lands, water power, fish, game and fur.

The balance sheet does not include a number of Boards and Commissions and other Crown Instrumentalities created by legislation. These bodies are mostly on a self-supporting basis.

The following is a condensed balance sheet of the Province of Ontario showing the assets and liabilities as at March 31, 1965.

PROVINCE OF ONTARIO CONDENSED BALANCE SHEET AS AT MARCH 31, 1965

ASSETS

Cash on Hand and in Banks	\$ 76,546,537
Temporary Investments	89,466,000
Loans and Advances	686,916,039
Government of Canada:	
Debt Account and Common School Fund	4,300,955
Highways, Buildings, etc.	2,774,931,182
Liquor Control Board of Ontario—Investment	24,945,863
Other Loans and Advances	262,306
Discount and Exchange on Debentures (less amount amortized)	15,552,410
Accounts Receivable (less Reserve)	22,919,304
Accrued Interest on Advances secured by bonds	2,925,558
Interest Receivable (less Reserve)	317,000
Equipment, Stores and Materials (less Reserve)	12,058,688
	<u>\$3,711,141,842</u>

LIABILITIES

Funded Debt (less sinking fund—\$154,821,293)	\$1,843,285,707
Unfunded Debt	374,971,794
Accounts Payable	2,435,959
Accrued Interest on Funded Debt	26,371,471
	<u>\$2,247,064,931</u>
Reserves	9,401,100
Surplus	1,454,675,811
	<u>\$3,711,141,842</u>

Contingent Liabilities:

Bonds, etc., Guaranteed by the Province	<u>\$1,753,829,158</u>
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I report hereunder on certain of the assets and liabilities as shown on the balance sheet of the Province as at March 31, 1965, which appear in the Public Accounts for 1964-65 on pages 6-7.

ASSETS

CASH ON HAND AND IN BANKS—\$76,546,537

Cash in Chartered Banks.....	\$75,694,475
Province of Ontario Savings Office.....	852,062
	<u>\$76,546,537</u>

The balances in chartered banks for the account of the Treasurer of Ontario were verified by reconciliation with letters of confirmation received direct from the depositaries. It was necessary to take into account a balance sheet adjustment to segregate sinking fund moneys on deposit with the Treasurer of Ontario from other Provincial moneys on deposit at March 31, 1965.

Cash on hand in the various branches of the Province of Ontario Savings Office was certified by the respective branch managers and the cash on deposit in chartered banks has been confirmed by direct correspondence with the banks concerned. The branches of the Savings Office were examined by Head Office inspectors during the year.

TEMPORARY INVESTMENTS—\$89,466,000

	Par Value
Government of Canada:	
Direct and Guaranteed Securities.....	\$57,545,800
Treasury Bills.....	16,936,000
Provinces of Canada:	
Direct and Guaranteed Securities.....	11,091,500
Treasury Bills.....	5,850,000
	<u>\$91,423,300</u>
Additional Cash Security.....	110,000
	<u>\$91,533,300</u>
Subject to repurchase agreement at.....	<u>\$89,466,000</u>

Temporary investments have been made for the purpose of making the most efficient use of funds temporarily surplus to current requirements. These investments were made under authority of section 20 of The Financial Administration Act. The securities are held by the Province in connection with uncompleted purchase and resale contracts with investment dealers. The securities on hand at March 31, 1965 were lodged for safekeeping with the Securities Branch of the Treasury Department and were verified by actual count as at that date.

LOANS AND ADVANCES—\$686,916,039

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

ADVANCES—SECURED BY BONDS—\$336,798,000

Under the provisions of The Power Commission Act, debentures of the Province of Ontario were issued during the years 1951 to 1959 in the amount of \$375,000,000 and the proceeds were advanced to The Hydro-Electric Power

Commission of Ontario. Repayments to March 31, 1964 amounted to \$38,202,000 leaving a balance of \$336,798,000. There have been no changes in the account during the year ended March 31, 1965. As security for the advances the Province holds bonds of The Hydro-Electric Power Commission of Ontario for the same principal amount and the same interest rate and terms as the related Province of Ontario debentures.

Bonds of the Commission in the amount of \$336,798,000 held in safekeeping in the Securities Branch of the Treasury Department at March 31, 1965 were verified by actual count.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—UNSECURED—\$8,874,532

During the period from 1909 to 1934 funds borrowed by the Commission under authority of The Power Commission Act were in some cases obtained as a part of the proceeds of certain Provincial debenture issues. As the Provincial issues mature, the Commission repays the amount previously advanced. The Commission also pays its share of the interest and service charges of the Provincial issues concerned. A principal repayment of \$1,592,934 was received during the year leaving a balance of unsecured advances unpaid of \$8,874,532 as at March 31, 1965. Future repayments are due each year with final payment to be made in 1972.

PROVINCIAL CROWN CORPORATIONS—INVESTMENTS—\$153,756,088

HOUSING CORPORATION LIMITED—INVESTMENTS—\$1,219,853

Housing Corporation Limited was incorporated in 1948 under a Provincial Charter. The purpose of the Corporation was to facilitate the financing of new low-cost houses in Ontario by providing money on the security of second mortgages. When the Government of Canada in the latter part of 1949 expanded its operations in this field, Housing Corporation Limited discontinued granting loans.

The assets of Housing Corporation Limited which are shown as an investment of the Province, have decreased during the year by \$429,761. This was mainly the result of the repayment of principal of \$442,537 on mortgage loans. There were 464 loans retired during the year leaving 3805 in the course of repayment, totalling \$1,207,077 as at March 31, 1965. No confirmation of mortgages was obtained from the mortgagors concerned.

The administration expenses of Housing Corporation Limited have been paid by the Province and the Corporation has applied its revenue to the payment of bank interest and bank collection charges on mortgage repayments. The operation of the Corporation from 1958 to 1964 inclusive resulted in a deficit each year, but this condition has changed and for the year ended March 31, 1965 the revenue exceeded the expenditure by \$4,382.

The assets and liabilities of Housing Corporation Limited have been included in the balance sheet of the Province. The balance sheet of Housing Corporation Limited is shown separately in the Public Accounts for 1964-65 on page 68.

ONTARIO HOUSING CORPORATION—INVESTMENTS—\$22,056,544

The Ontario Housing Corporation was established under The Ontario Housing Corporation Act, 1964. The main function of the Corporation is to assume the responsibility of the Province relative to existing and future agreements entered into under The Housing Development Act. Under these agreements, the Province of Ontario and the Government of Canada act in partnership to provide needed housing accommodation in Ontario.

At the inception of the Corporation on August 11, 1964, all of the assets formerly acquired under The Housing Development Act were vested in the Corporation together with all the rights of the Province under existing agreements. By an Order in Council effective November 1, 1964, the Corporation assumed responsibility for the management, operation and administration of such housing projects as are constructed in the Metropolitan Toronto area jointly by the Government of Canada and the Ontario Housing Corporation. In addition, from moneys made available under a Special Warrant, the Corporation was provided with interest-free funds by the Treasurer of Ontario, to acquire certain dwelling units adjacent to the widened portions of Highway 401. The Ontario Housing Corporation, under all the above areas of responsibility, had acquired total assets of \$22,056,544 as at March 31, 1965.

The liability of the Corporation to the Treasurer of Ontario at March 31, 1965 amounted to \$21,352,285 consisting of:

Net capital advances from the Province made under The Housing Development Act for Federal-Provincial housing projects including accrued interest to September 30, 1964..	\$20,455,951
Accrued interest on the above advances from October 1, 1964 to March 31, 1965.....	396,334
Interest-free advance for the acquisition of properties adjacent to Highway 401.....	500,000
	<u>\$21,352,285</u>

An arrangement was made with the Corporation to repay the liability of \$20,455,951 to the Province in 50 equal annual instalments including interest at $3\frac{7}{8}\%$ per annum, calculated semi-annually, the first payment to be made September 30, 1965. Effective September 30, 1964 interest on further advances was authorized by an Order in Council at the rate of $5\frac{5}{8}\%$ per annum with repayment of the advances to be made as revenues from projects exceed the capital requirements of the Corporation.

All other liabilities of the Corporation at March 31, 1965 amounted to \$704,259.

The Corporation, after applying its revenue to expenditures, operated at a loss of \$789,089 for the period from August 11, 1964 to March 31, 1965, for which funds were provided by the Province under a Special Warrant.

The assets and liabilities of the Ontario Housing Corporation have been included in the balance sheet of the Province. The balance sheet of the Ontario Housing Corporation is shown separately in the Public Accounts for 1964-65 on page 70.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN
CORPORATION—

INVESTMENTS—\$30,667,573

The Ontario Junior Farmer Establishment Loan Corporation was incorporated in 1952 for the purpose of making loans to assist young qualified farmers in the establishment, development and operation of their farms.

The assets of the Corporation which represent the investment of the Province, have increased during the year by \$9,737,447. This was due mainly to a net increase in Mortgage Loans Principal of \$9,830,331 and a decrease of \$295,515 in Discount on Debentures unamortized. As at March 31, 1965 the Corporation had 3435 loans receivable amounting to \$29,548,771. During the year 781 new loans were made and 360 loans were retired. Interest accrued at March 31, 1965 on these mortgages amounted to \$645,624. No confirmation of the mortgages was obtained from the mortgagors.

The cost of administration of the Corporation has been paid by the Province and the revenue of the Corporation has been applied to the payment of interest on borrowed funds and amortization of discount on debentures. The operations for the year ended March 31, 1965 resulted in a deficit of \$189,944. Because the interest charged on mortgage loans has not been sufficient to meet the cost of borrowed money the Corporation has operated at a deficit each year since 1958. The accumulated deficit now amounts to \$1,200,375.

The assets and liabilities of The Ontario Junior Farmer Establishment Loan Corporation have been included in the balance sheet of the Province. The balance sheet of The Ontario Junior Farmer Establishment Loan Corporation is shown separately in the Public Accounts for 1964-65 on page 72.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

INVESTMENTS—\$52,159,154

The Ontario Municipal Improvement Corporation was incorporated in 1950 for the purpose of purchasing debentures of Ontario Municipalities and School Boards issued for certain municipal works and school board undertakings.

The assets of the Corporation representing the above investments have decreased during the year by \$2,014,347. The decrease was due mainly to a net reduction in the amount of the debentures of Ontario Municipalities and School Boards held by the Corporation. As at March 31, 1965 the Corporation held debentures of Ontario Municipalities and School Boards having a par value of \$49,369,915 bearing interest at various rates from 3½% to 7%. A schedule of these debentures is presented on pages 48-56 of this report. The debentures were verified by actual count as at March 31, 1965 and are held for safekeeping by the Securities Branch of the Treasury Department.

The administration expenses of the Corporation have been paid by the Province of Ontario and the revenue of the Corporation has been applied to the payment of interest on borrowed funds. The operations of the Corporation resulted in a profit for the year of \$668,098. The accumulated profits since the inception of the Corporation have been transferred to a General Reserve Account which now amounts to \$5,002,578.

The assets and liabilities of The Ontario Municipal Improvement Corporation have been included in the balance sheet of the Province. The balance sheet of The Ontario Municipal Improvement Corporation is shown separately in the Public Accounts for 1964-65 on page 74.

THE ONTARIO UNIVERSITIES CAPITAL AID CORPORATION—

INVESTMENTS—\$45,600,000

The Ontario Universities Capital Aid Corporation was established under The Ontario Universities Capital Aid Corporation Act, 1964. The purpose of the Corporation is to purchase bonds or debentures from universities issued by them for capital construction projects.

The total assets of the Corporation at March 31, 1965 amounted to \$45,600,000, consisting of investments in $5\frac{1}{2}\%$ debentures of Ontario Universities purchased at par.

To finance the purchase of the university debentures, the Treasurer of Ontario, under authority of The Ontario Universities Capital Aid Corporation Act, 1964, made advances to the Corporation totalling \$45,600,000 to March 31, 1965. These advances bear interest at $5\frac{1}{2}\%$ per annum and are repayable to the Province in yearly instalments over a thirty-year period in the same amounts as the yearly instalments become due on the debentures purchased by the Corporation.

The assets and liabilities of The Ontario Universities Capital Aid Corporation are included in the balance sheet of the Province. The balance sheet of The Ontario Universities Capital Aid Corporation is shown separately in the Public Accounts for 1964-65 on page 69.

THE SHERIDAN PARK CORPORATION—INVESTMENTS—\$2,052,965

The Sheridan Park Corporation was established without share capital by The Sheridan Park Corporation Act, 1964. The object of the Corporation is to acquire and develop lands in an area in the Township of Toronto, County of Peel, for the purpose of research and ancillary services and generally for establishing a centralized research complex.

The above amount of \$2,052,965 represents the total assets of The Sheridan Park Corporation at March 31, 1965. The main asset is lands shown at a cost value of \$1,782,533.

To provide funds for the Corporation, capital advances totalling \$2,000,000 at March 31, 1965 were made during the year by the Treasurer of Ontario under authority of section 10 of The Sheridan Park Corporation Act, 1964. These advances bear interest at 6% per annum and are to be repaid from future sales of land held by the Corporation.

The operations of the Corporation from its inception on May 8, 1964 to March 31, 1965 resulted in a deficit of \$47,679. This amount is reflected in the balance sheet of the Province by an adjustment through Surplus Account.

The assets and liabilities of The Sheridan Park Corporation are included in the balance sheet of the Province. The balance sheet of The Sheridan Park Corporation is shown separately in the Public Accounts for 1964-65 on page 76.

ONTARIO WATER RESOURCES COMMISSION—ADVANCES—\$75,976,544

This Commission was created in 1956 to assist Ontario municipalities in dealing with their financial and physical problems relating to water resources, sewage and pollution. Projects undertaken must be self-liquidating, earning sufficient revenue over a reasonable time to cover operating costs, interest charges and debt retirement.

During the year ended March 31, 1965 there was a net increase of \$7,392,701 in this account which includes net interest charges of \$172,266 calculated to December 31, 1964 and a write-off to Surplus Account of certain construction costs of \$6,897.

ONTARIO NORTHLAND TRANSPORTATION COMMISSION—\$30,207,935

This amount relates to advances to the Commission to provide funds for construction and equipment. There has been no change in the account since 1937. The loan was made non-interest bearing by Order in Council dated April 22, 1936.

PROVINCIAL STUDENT-AID LOANS—\$7,311,564

The Provincial Student-Aid Loan Fund was established in 1958 by an amendment to The Department of Education Act. The purpose of the Fund is to provide loans to students of ability who need financial assistance and desire to continue their education beyond the secondary school level. The loans are repayable with interest at 4 per cent per annum, with the first payment due on April 1st in the year following the student's graduation or withdrawal. During the year 300 new loans were made in the amount of \$114,470 and repayments amounted to \$1,023,066 which included 1500 loans repaid in full. In the same period 75 loans totalling \$9,659 were written off as uncollectable leaving 12,225 loans receivable in the amount of \$7,311,564 outstanding as at March 31, 1965.

MUNICIPALITIES—\$57,197,494

Municipal Debentures—	
Town of Atikokan.....	\$ 37,900
Improvement District of Elliot Lake.....	2,700,500
Improvement District of Manitouwadge.....	772,500
The Municipality of Metropolitan Toronto.....	39,572,000
City of Windsor.....	863,283
Tile Drainage Debentures.....	7,381,781
Village of West Lorne.....	9,207
The Municipal Works Assistance Act, 1963.....	5,860,323
	<u>\$57,197,494</u>

During the year ended March 31, 1965 loans to municipalities were reduced as follows: Town of Atikokan \$3,100, Improvement District of Elliot Lake \$200,400 (net), Improvement District of Manitouwadge \$42,600, City of Windsor \$62,273, Village of West Lorne \$6,528. Debentures of The Municipality of Metropolitan Toronto issued for subway purposes in the amount of \$20,000,000 were purchased and \$287,000 were redeemed by the Municipality which brought

the amount of debentures held by the Province to \$39,572,000 at March 31, 1965. Tile Drainage debentures were purchased in the amount of \$1,921,016 and proceeds from redemptions of \$934,744 were received, making a net increase of \$986,272 in the account.

Under authority of The Municipal Works Assistance Act, 1963 the Province of Ontario entered into an agreement with the Municipal Development and Loan Board which is a board established under the Municipal Development and Loan Act (Canada). The Board, in accordance with the provisions of the agreement, made loans to the Province for the purpose of enabling the Province to make loans to municipalities for certain municipal projects.

During the year ended March 31, 1965 the Province made loans to municipalities in the amount of \$5,860,323. As security for the loans the Province held debentures issued by the municipalities totalling \$5,845,242. The unsecured balance of \$15,081 was recovered under the terms of the agreement subsequent to March 31, 1965.

The Tile Drainage debentures are held in safekeeping by the Canadian Imperial Bank of Commerce and were confirmed as at March 31, 1965 by a test examination carried out at the premises of the Bank. The various municipal debentures are held in safekeeping by the Securities Branch of the Treasury Department and were confirmed by actual count as at March 31, 1965.

MISCELLANEOUS—\$16,793,882

The Co-operative Loans Act—Loans.....	\$ 3,297,220
Old Age Assistance and Allowances for Blind and Disabled Persons, etc.....	44,096
The Public Hospitals Act, sec. 5a—Loans.....	3,079,000
Province of Ontario Savings Office—Accounts Receivable.....	7,124
Sandwich, Windsor and Amherstburg Railway Company—Bonds.....	2,750,000
The Sault Ste. Marie Bridge Act, 1960:	
International Bridge Authority of Michigan—Bonds.....	7,615,072
St. Mary's River Bridge Company—Shares.....	1,370
	<u>\$16,793,882</u>

The Co-operative Loans were reduced during the year ended March 31, 1965 by a net amount of \$206,803 and the Sandwich, Windsor and Amherstburg Railway Company redeemed \$50,000 of its debentures. During the same period the balance of the investment in shares of the International Transit Company Limited in the amount of \$42,000 was realized.

Under authority of The Public Hospitals Act, sec. 5a, the Province made advances during the year of \$3,079,000 to the Hospital Services Commission of Ontario for the purpose of making loans to hospitals. The Hospital Services Commission of Ontario disbursed these funds by way of loans to hospitals to assist in the construction of new bed accommodation. The hospitals are required to repay the loans to the Commission with interest at 3% per annum.

The bonds of the Sandwich, Windsor and Amherstburg Railway and of the International Bridge Authority of Michigan and shares of the St. Mary's River Bridge Company are held in safekeeping in the Securities Branch of the Treasury Department. These securities were confirmed by actual count as at March 31, 1965.

GOVERNMENT OF CANADA—\$4,300,955

DEBT ACCOUNT.....	\$2,848,290
COMMON SCHOOL FUND.....	1,452,665
	<u>\$4,300,955</u>

Details of these two accounts were given in my report for 1963-64. No changes have occurred during the year. In accordance with existing arrangements 5% interest has been received during the year from the Government of Canada on the above amounts.

HIGHWAYS, BUILDINGS, ETC.—\$2,774,931,182

Highways and Roads—Capital Disbursements.....	\$2,355,040,239	
Less—Capital Disbursements to March 31, 1935, written off.....	211,119,284	\$2,143,920,955
Rural Power Transmission Lines, Bonus 1927-65.....	\$ 116,406,577	
Less—Capital Disbursements to March 31, 1935, written off.....	7,428,243	
		108,978,334
Land, Buildings, Public Works, etc.....		503,525,231
The Niagara Parks Commission—Equity (October 31, 1964).....		8,930,552
The St. Lawrence Parks Commission—Surplus of Assets.....		9,576,110
		<u>\$2,774,931,182</u>

During the year the investment in Highways and Roads was increased by a net amount of \$211,000,678. This represents capital disbursements of \$210,497,998 on highways, \$999,873 on mining roads and \$645,291 on logging roads less capital receipts of \$886,630 applied to highways and \$255,854 applied to logging roads. The accumulated capital disbursements to March 31, 1965, less amounts written off, amount to \$2,143,920,955.

Highways and Roads built prior to March 31, 1935 have been replaced or reconstructed to such an extent that the original cost is now considered to have little value and has been written off. The cost of highways built prior to October 31, 1934 of \$206,486,612 was written off to Surplus Account in previous years and during the current year highway capital disbursements for the five month period ending March 31, 1935, in the amount of \$4,632,672, were written off.

A bonus of \$519,872 for Rural Primary and Secondary Lines under The Rural Hydro-Electric Distribution Act was paid during the year. The accumulated capital disbursements for Rural Power Transmission Lines to March 31, 1965 amounted to \$116,406,577. The Rural Power Transmission Lines built prior to March 31, 1935 have been substantially rebuilt or replaced and therefore the bonuses paid prior to that date have been written off. An amount of \$120,000 being the bonus paid for the five month period ending March 31, 1935 was written off to Surplus Account during the year which brings the total amount written off to date to \$7,428,243. This amount when deducted from the total capital disbursements leaves a net book value of \$108,978,334 for Rural Power Transmission Lines at March 31, 1965.

The value of Land, Buildings, Public Works, etc., was increased during the year by a net amount of \$42,711,176. This amount is made up of a net increase in Lands and Buildings of \$35,977,638, a net increase of \$5,613,259 in General Works and Improvements which includes grants to Conservation Authorities of \$4,636,031 and an investment of \$1,120,279 in Provincial Parks. No depreciation has been accrued on Land, Buildings, Public Works, etc.

The balance sheet of The Niagara Parks Commission as at October 31, 1964 showed an equity account of \$8,930,552. This amount is included in the assets of the Province and has been brought on the balance sheet by an adjustment through Surplus Account under authority of subsection 2, section 14, of The Niagara Parks Act.

The assets of The St. Lawrence Parks Commission amounted to \$9,576,110 as shown by the balance sheet of the Commission at March 31, 1965. This figure includes an amount of \$373,977 representing expenditures for fixed assets for which the funds were supplied through Ordinary Account of the Province during the year ended March 31, 1965. This latter amount has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

LIQUOR CONTROL BOARD OF ONTARIO—

INVESTMENT—\$24,945,863

The above investment represents the Surplus as shown by the balance sheet of the Liquor Control Board of Ontario as at March 31, 1965. This amount has been retained by the Board to finance its operations. Details of the investment are shown on page 57 of the Public Accounts for 1964-65. This asset has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

OTHER LOANS AND ADVANCES—\$262,306

Home Bank (in Liquidation) balance	\$213,000
Settlers' Loans	49,306
	<u>\$262,306</u>

The items in this group have been segregated because they are in arrears or in default. These assets are carried at book value as the amounts which may be ultimately realized cannot be determined at this time. Loans under The Co-operative Loans Act totalling \$25,813 were shown in this group at March 31, 1964. During the year payments were received in the amount of \$8,900 and \$3,313 was written off as uncollectable. It was considered that the remainder of these loans of \$13,600 will be realized in full and therefore this amount was transferred to Co-operative Loans shown on the balance sheet under the heading Miscellaneous. Recoveries were made on Settlers' Loans of \$2,718 and no changes occurred in the balance of the Home Bank (in liquidation) during the year ended March 31, 1965.

DISCOUNT AND EXCHANGE ON DEBENTURES

(less amount amortized)—\$15,552,410

Discount and exchange on new issues during the year amounted to \$2,931,250 and in the same period an amount of \$1,733,211 was amortized. Discount and exchange on debentures issued by the Province are amortized in each case over the term of the related issue. A statement of Amortization of Discount and Exchange on Debentures is shown in the Public Accounts for 1964-65 on page 58.

ACCOUNTS RECEIVABLE (less Reserve)—\$22,919,304

The details of accounts receivable were submitted by Departmental accountants. The amount shown above is the net total of the accounts receivable of all Departments of the Province of Ontario after the deduction of reserves for doubtful accounts. The reserves provided are considered adequate.

This asset has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

ACCRUED INTEREST ON ADVANCES SECURED BY BONDS—

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—\$2,925,558

The above amount represents interest accrued but not due at March 31, 1965. This asset has been brought on the balance sheet of the Province by an adjustment through Surplus Account. The principal amount of the advance is \$336,798,000 and is referred to earlier in this report.

INTEREST RECEIVABLE (less Reserve)—THE AGRICULTURAL DEVELOPMENT

FINANCE ACT—\$317,000

There is owing to the Treasurer of Ontario \$1,317,000 for interest due on the former debentures of the Agricultural Development Board. A reserve of \$1,000,000 is provided against this receivable since a deficit appears in the books of the borrower. During the year a payment of \$95,000 was received on this account. The balance of \$317,000 has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

EQUIPMENT, STORES AND MATERIALS (less Reserve)—\$12,058,688

Inventories of equipment, stores and materials were compiled by Departmental accountants and are shown in total above after the deduction of reserves which were deemed adequate to reduce the gross inventory to a conservative valuation. Inventories were valued on a basis not exceeding cost. This account has been brought on the balance sheet by an adjustment through Surplus Account.

LIABILITIES

FUNDED DEBT—\$1,843,285,707

Stock and Debentures.....	\$1,998,107,000
Less—Sinking Fund.....	154,821,293
	<u>\$1,843,285,707</u>

The stock and debentures outstanding at March 31, 1965 were held as follows:

In the Hands of the Public.....	\$1,899,866,500
In the Sinking Fund of the Province of Ontario.....	98,240,500
	<u>\$1,998,107,000</u>

During the year the Province issued debentures amounting to \$162,500,000 and in the same period maturities amounted to \$48,713,000. Details of Stock and Debentures outstanding at March 31, 1965 are shown in the Public Accounts for 1964-65 on page 63.

The Sinking Fund of \$154,821,293 consists of investments in securities with a par value of \$151,973,500 which are held for safekeeping in the Securities Branch of the Treasury Department and uninvested funds of \$2,847,793 which are on deposit with the Treasurer of Ontario in the Consolidated Revenue Fund. During the year \$40,000,000 was provided through Ordinary Account and credited to the Fund and a charge was made to the Fund of \$47,120,066 for debentures matured and retired. A summary of Sinking Fund and its investments as at March 31, 1965 is shown in the Public Accounts for 1964-65 on page 62. The securities held for the Fund were verified by actual count and the uninvested funds on deposit were verified from the records of the Treasury Department as at March 31, 1965.

UNFUNDED DEBT—\$374,971,794

DEMAND DEPOSITS WITH PROVINCE OF ONTARIO

SAVINGS OFFICE—\$81,075,012

The above amount of \$81,075,012 is made up of current deposits of \$80,984,174 and unclaimed balances of \$90,838. These deposit accounts are carried by 21 branches of the Savings Office throughout Ontario. The liability of the Savings Office to depositors is similar to the liability of a chartered bank to savings depositors.

Under The Agricultural Development Finance Act the Treasurer of Ontario is empowered to borrow money by means of deposits and to open offices throughout Ontario for this purpose. Moneys borrowed by way of these deposits may be used for the general purposes of the Province.

SPECIAL FUNDS—\$241,073,603

PUBLIC SERVICE SUPERANNUATION FUND—\$197,058,888

During the year receipts credited to the Public Service Superannuation Fund amounted to \$35,831,977 and in the same period disbursements amounted to \$12,082,819. The total funds of the Public Service Superannuation Fund at March 31, 1965 of \$197,058,888 were on deposit with the Treasurer of Ontario.

PUBLIC SERVICE RETIREMENT FUND—\$1,406,201

The funds of the Public Service Retirement Fund on deposit with the Treasurer of Ontario were increased during the year by a net amount of \$48,824 to a total of \$1,406,201 at March 31, 1965. During the year accumulated

interest earned by the Fund of \$50,000 was transferred to the Public Service Superannuation Fund in accordance with subsection 5 of section 29 of The Public Service Superannuation Act.

OTHER—\$42,608,514

A detailed list of accounts making up Special Funds—Other is shown in the Public Accounts for 1964-65 on page 66. During the year the total of these accounts was increased by \$18,297,054. The increase was due mainly to \$12,000,000 from Ordinary Account deposited to a special account for the Hospital Services Commission of Ontario to be held until required, a grant of \$3,520,000 from Ordinary Account being held for the Ontario Research Foundation re Sheridan Park, an increase in the funds held for the Motor Vehicle Accident Claims Fund of \$1,341,191 and an increase in the funds held for the Ontario Municipal Employees Retirement Fund of \$1,300,000.

PROVINCIAL CROWN CORPORATIONS—LIABILITIES—\$51,866,944

HOUSING CORPORATION LIMITED—LIABILITIES—\$442,258

The main liability of Housing Corporation Limited is a bank demand loan of \$437,000 guaranteed by the Province of Ontario. This loan was reduced during the year by \$433,000.

ONTARIO HOUSING CORPORATION—LIABILITIES—\$619,019

The main liabilities of the Ontario Housing Corporation consist of accounts payable, accrued liabilities, etc., in the amount of \$412,591, and mortgages payable of \$137,942 in connection with the purchase of properties adjacent to Highway 401.

In addition to the above, the Corporation has a liability to the Treasurer of Ontario for advances of \$21,352,285 which has been referred to earlier in this report. This advance has been eliminated by contra in the preparation of the balance sheet of the Province.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN
CORPORATION—

LIABILITIES—\$21,167,948

The main liabilities of The Ontario Junior Farmer Establishment Loan Corporation are debentures issued by the Corporation for \$11,000,000 due in October 1976 bearing interest at $4\frac{1}{2}\%$ and \$9,000,000 due in June 1965 bearing interest at 2% , both guaranteed by the Province, accrued interest on the debentures of \$301,729 and a bank overdraft of \$837,392.

In addition, the Corporation is indebted to the Treasurer of Ontario for an advance of \$10,700,000 which was increased during the year by \$9,200,000. The rate of interest on the advance is $5\frac{3}{4}\%$ per annum. This advance has been eliminated by contra in the preparation of the balance sheet of the Province.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

LIABILITIES—\$29,537,075

The liabilities of The Ontario Municipal Improvement Corporation are debentures issued by the Corporation in the amount of \$29,000,000 maturing over a period from 1965 to 1980 and bearing interest at rates from $3\frac{1}{2}\%$ to $5\frac{3}{4}\%$ and accrued interest of \$537,075. The debentures are guaranteed by the Province of Ontario. The Corporation also has an advance from the Treasurer of Ontario of \$17,619,500 bearing interest at $6\frac{1}{4}\%$. The advance has been eliminated by contra in the preparation of the balance sheet of the Province.

THE SHERIDAN PARK CORPORATION—LIABILITIES—\$100,644

The liabilities of The Sheridan Park Corporation consist of accrued liabilities of \$56,042, a holdback on services contract of \$28,601 and a security deposit of \$16,000 on a contract. In addition, the Corporation has an advance from the Treasurer of Ontario of \$2,000,000 bearing interest at 6%. This advance has been eliminated by contra from the balance sheet of the Province.

THE ONTARIO UNIVERSITIES CAPITAL AID CORPORATION—

LIABILITIES—NIL

The only liability of The Ontario Universities Capital Aid Corporation is an advance from the Treasurer of Ontario in the amount of \$45,600,000 bearing interest at $5\frac{1}{2}\%$. This advance has been eliminated by contra from the balance sheet of the Province.

MISCELLANEOUS—\$956,235

This amount represents the unpaid balances of two mortgages. On April 16, 1963 the Province acquired property at 880 Bay Street, Toronto and assumed a mortgage. Under the terms of the mortgage the interest rate is $5\frac{1}{2}\%$ per annum with monthly payments to be made until the mortgage is retired in full in 1976. The balance outstanding on this mortgage was \$917,235 at March 31, 1965. During the year property at 5-7 Wellesley Street West, Toronto was purchased and a mortgage assumed. The balance outstanding at March 31, 1965 was \$39,000, bearing interest at $7\frac{1}{2}\%$ per annum. This latter mortgage was retired in May 1965.

ACCOUNTS PAYABLE—\$2,435,959

The above amount is the total of accounts payable of all Departments of the Province as at March 31, 1965. The largest amount is \$1,493,767 included in the accounts payable of the Department of Lands and Forests which represents pre-payments and timber deposits. The balance of \$942,192 is the total of the accounts rendered for goods and services during the year which have not been paid for at March 31, 1965 by the Departments. Details of the accounts payable were submitted by the Accounts of the various Departments. This liability has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

ACCRUED INTEREST ON FUNDED DEBT—\$26,371,471

Interest accrued but not due as at March 31, 1965 on debentures issued by the Province and outstanding in the hands of the public amounted to \$26,361,196.

The remaining \$10,275 is a provision for interest coupons matured prior to November 1, 1932 and not presented for payment at March 31, 1965. This liability has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

RESERVES—\$9,401,100

The Reserves have been increased during the year by a net amount of \$707,889. The main changes were a credit to The Ontario Municipal Improvement Corporation, General Reserve of \$668,098, net increases in the Reserve for Charitable and Educational Bequests, etc., of \$113,884, and in the Reserve of the Ontario Housing Corporation of \$85,240 included in the balance sheet of the Province as at March 31, 1965 and a charge to the Reserve for Farm Loans of \$189,943 due to a deficit in the operations of The Ontario Junior Farmer Establishment Loan Corporation. A detailed list of the Reserves is shown on page 67 of the Public Accounts for 1964-65.

SURPLUS—\$1,454,675,811

During the year the Surplus Account was increased by a net amount of \$232,327,508. The principal items credited to Surplus during the year were, Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue \$187,000,000, Provision for Sinking Fund, \$40,000,000, accrued interest and other adjustments relating to capital advances to the Ontario Housing Corporation \$6,755,887, Ordinary Expenditures capitalized in connection with Provincial Parks and The St. Lawrence Parks Commission \$576,771, Surplus on Ordinary Account \$440,676 and a net amount of \$2,597,637 resulting from year-end adjustments to accounts receivable and payable, stores and materials, and accrued interest, etc.

The main items reducing the Surplus Account during the year were Highway Capital Disbursements for the five-month period ending March 31, 1935, amounting to \$4,632,672 written off, Rural Power Transmission Lines Bonus for the five-month period ending March 31, 1935, amounting to \$120,000 written off, a repayment to the Government of Canada of \$223,731 under the Tax Rental Agreement 1952-56 and a provision for the operating deficit of The Sheridan Park Corporation of \$47,679.

Details of the changes in Surplus Account for the year are shown in the Public Accounts for 1964-65 on page 8.

CONTINGENT LIABILITIES—\$1,753,829,158

Bonds, etc., guaranteed by the Province of Ontario.....	\$1,777,162,158
Less—Held in Sinking Fund.....	23,333,000
	<u>\$1,753,829,158</u>

A detailed list of Contingent Liabilities is shown in the Public Accounts 1964-65 on pages 78 to 80. The amount of contingent liabilities shown on the balance sheet is net of guaranteed bonds held in the Sinking Fund of the Province of Ontario.

The contingent liabilities increased during the year by a net amount of \$36,561,744. This is due mainly to a net increase of \$44,485,000 in issues of The Hydro-Electric Power Commission of Ontario and a decrease of \$8,678,792 in guarantees for the indebtedness of the Ontario Flue-Cured Tobacco Growers Marketing Board.

CHARTS AND STATEMENTS

Charts showing the trend in Gross and Net Debt and in Net Ordinary Revenue and Expenditure for the ten years ended March 31, 1965 are appended to this report on pages 38-39. Charts showing the trend in certain major items of Net Ordinary Revenue and Expenditure appear on pages 40-43 of this report. A chart showing comparisons between Estimated and Actual Net Ordinary Voted Expenditure for the ten years ended March 31, 1965 and a chart showing comparisons between Estimated and Actual Net Capital Voted Expenditure for the ten years ended March 31, 1965 are appended on pages 44-45.

The following statements for the fiscal year April 1, 1964 to March 31, 1965 will be found on pages 46-59.

Source and Application of Funds

Debentures of Ontario Municipalities and School Boards held by The Ontario Municipal Improvement Corporation as at March 31, 1965

Comparative Statement of Net Interim and Actual Ordinary Revenue

Comparative Statement of Net Interim and Actual Ordinary Expenditure

Comparative Summary of Net Interim and Actual Ordinary Revenue and Ordinary Expenditure

Comparative Statement of Net Interim and Actual Capital Receipts

Comparative Statement of Net Interim and Actual Capital Disbursements

Statements showing details of Treasury Board Orders issued for the authorization of expenditures in excess of appropriations during the fiscal year ended March 31, 1965 and Special Warrants issued during the fiscal year ended March 31, 1965 are submitted in separate sections immediately following the statements referred to above.

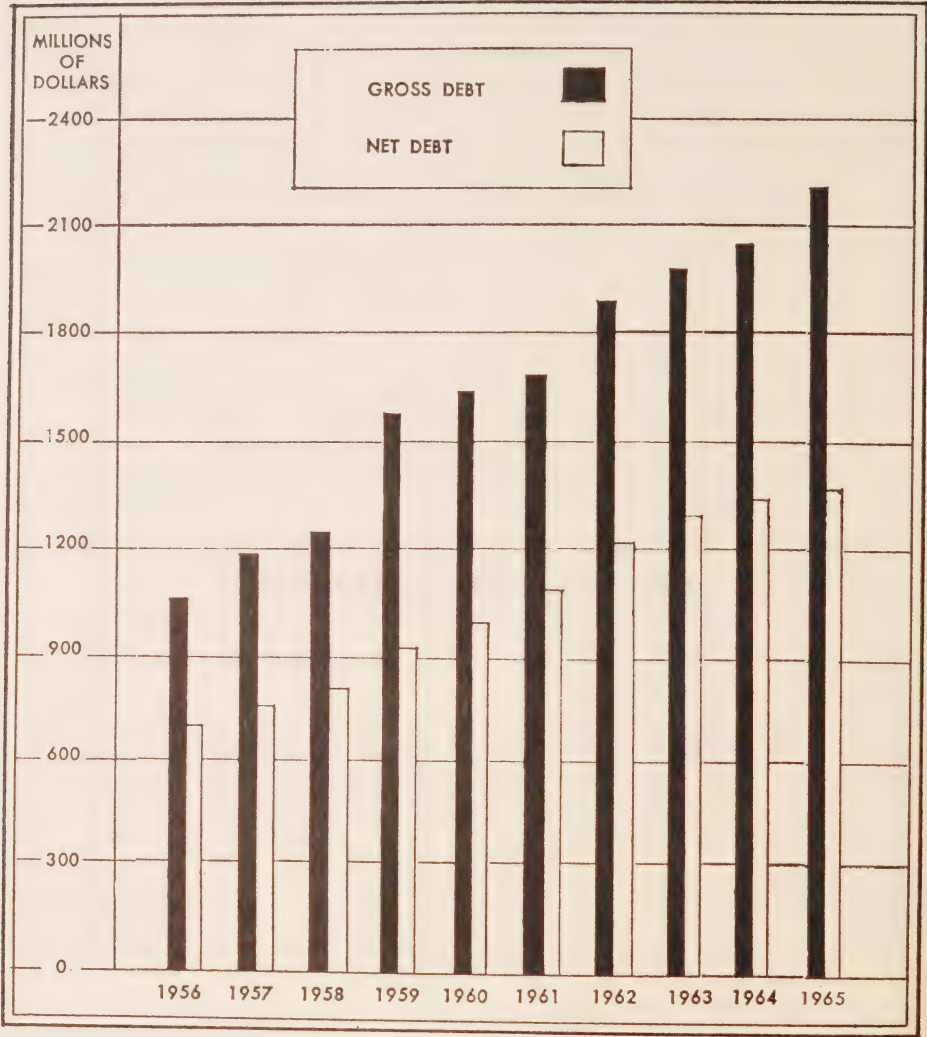
I am very pleased to have this opportunity to acknowledge the willing co-operation and effective help of the officials and staff of the various Departments, Boards and Commissions during the conduct of the audit.

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Toronto, November 26, 1965.

CHARTS AND STATEMENTS

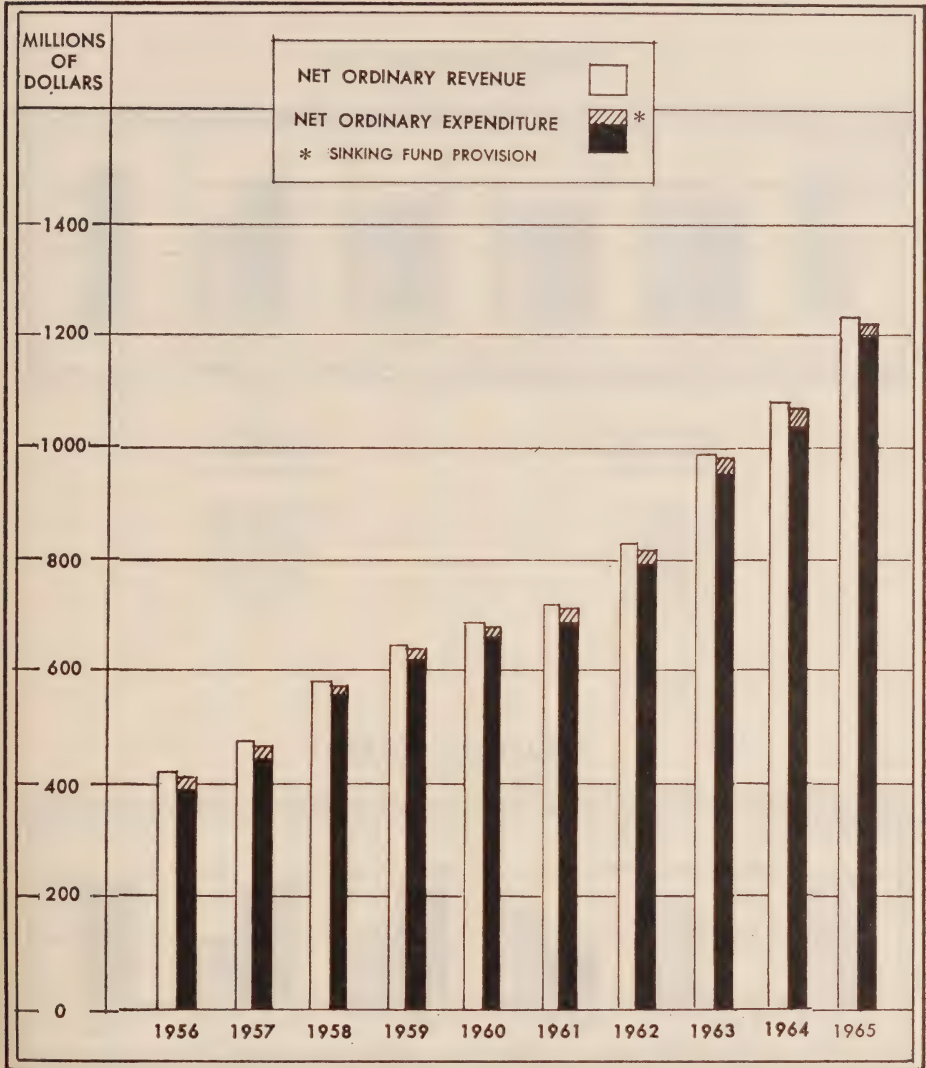
GROSS AND NET DEBT
FOR THE TEN YEARS ENDED MARCH 31, 1965



Gross and Net Debt per Public Accounts

YEAR ENDED MARCH 31	GROSS DEBT	NET DEBT
1956	\$1,072,409,119	\$ 705,306,145
1957	1,196,707,469	758,277,702
1958	1,285,809,989	818,606,441
1959	1,579,113,325	900,532,098
1960	1,642,671,624	993,554,760
1961	1,695,504,283	1,092,616,819
1962	1,884,972,861	1,209,063,700
1963	1,979,374,560	1,284,104,122
1964	2,057,963,807	1,344,744,148
1965	2,218,257,501	1,365,328,924

**NET ORDINARY REVENUE AND EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1965**

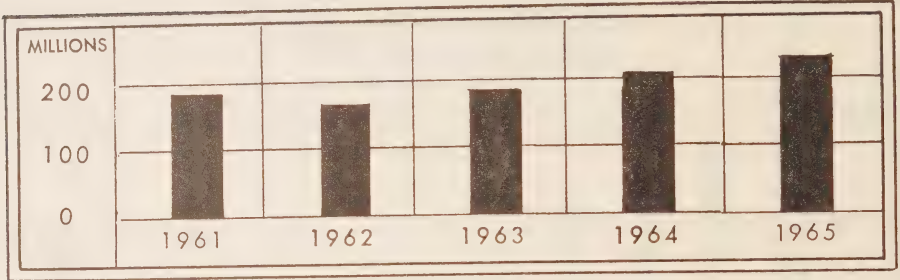


YEAR ENDED MARCH 31	NET ORDINARY REVENUE	NET ORDINARY EXPENDITURE	*SINKING FUND PROVISION
1956	\$ 427,969,363	\$ 425,464,481	\$ 32,630,000
1957	479,783,191	477,978,640	40,729,000
1958	591,849,092	590,983,062	17,833,000
1959	642,374,233	642,070,163	17,941,000
1960	702,469,593	701,605,902	31,054,000
1961	739,391,410	739,000,383	33,822,000
1962	825,352,009	824,849,622	35,802,000
1963	993,611,901	993,033,254	39,000,000
1964	1,079,135,679	1,078,181,209	41,500,000
1965	1,237,244,493	1,236,803,817	40,000,000

*Included in Net Ordinary Expenditure.

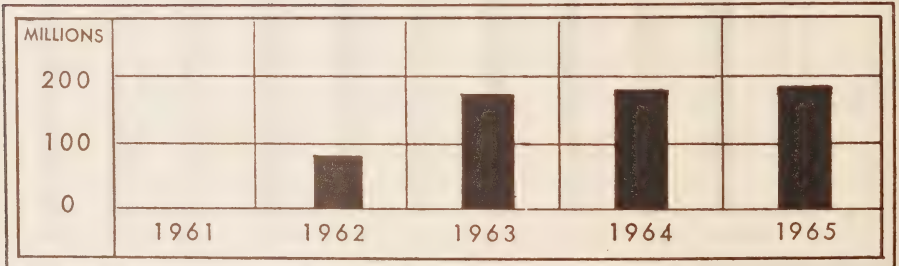
MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

CORPORATIONS TAX



YEAR ENDED MARCH 31	AMOUNT
1961	\$ 185,667,356
1962	165,854,287
1963	185,717,994
1964	209,672,035
1965	232,543,374

RETAIL SALES TAX*

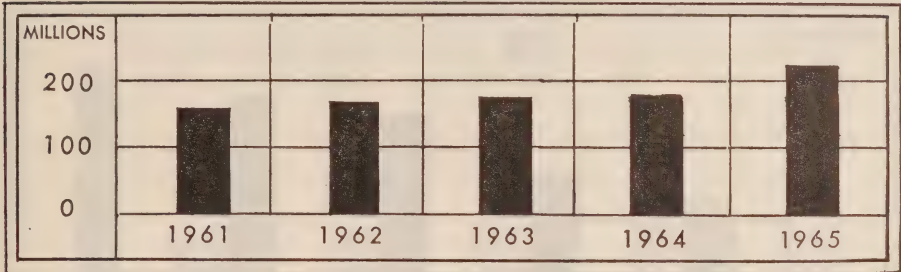


YEAR ENDED MARCH 31	AMOUNT
1961	\$
1962	78,746,682
1963	175,714,557
1964	186,534,521
1965	195,298,715

*Revenue under The Retail Sales Tax Act, 1960-61 commenced as of September 1, 1961.

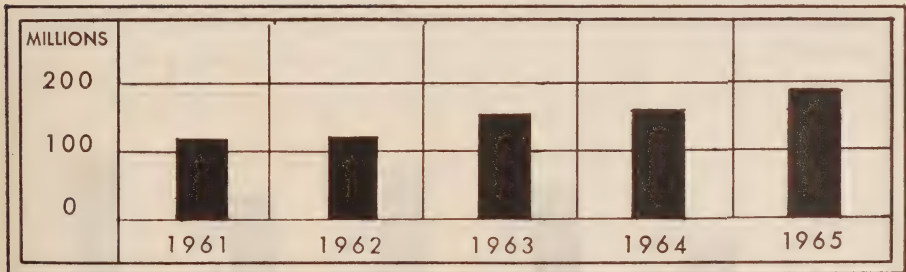
ORDINARY REVENUE
YEARS ENDED MARCH 31, 1965

GASOLINE TAX



YEAR ENDED MARCH 31	AMOUNT
1961	\$157,655,684
1962	165,193,317
1963	173,135,315
1964	183,649,850
1965	221,188,555

INCOME TAX*

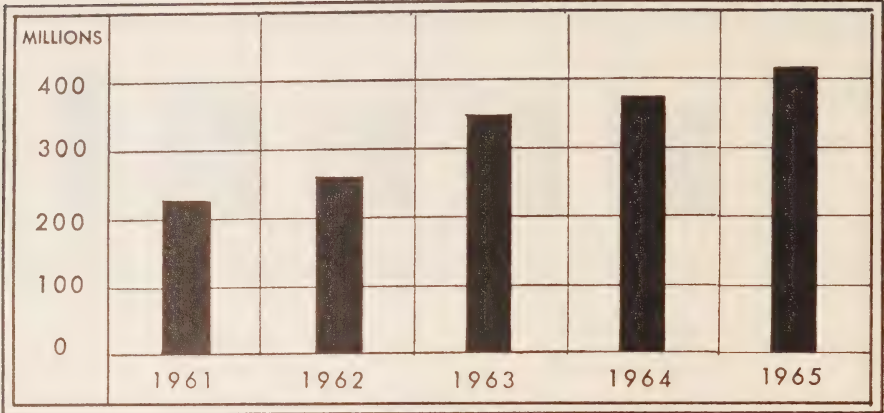


YEAR ENDED MARCH 31	AMOUNT
1961	\$113,791,937
1962	120,651,639
1963	151,844,240
1964	164,369,708
1965	195,842,112

*Income Tax Rental Agreement prior to April, 1962.

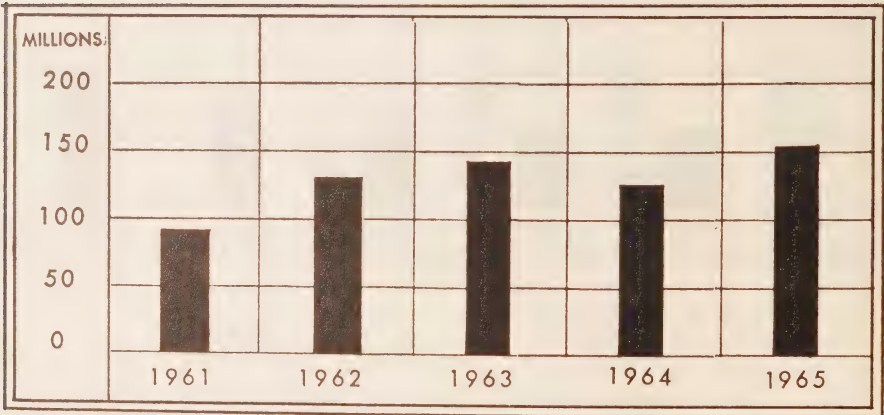
MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

EDUCATION



YEAR ENDED MARCH 31	AMOUNT
1961	\$226,510,583
1962	261,723,044
1963	348,367,974
1964	381,041,328
1965	416,852,568

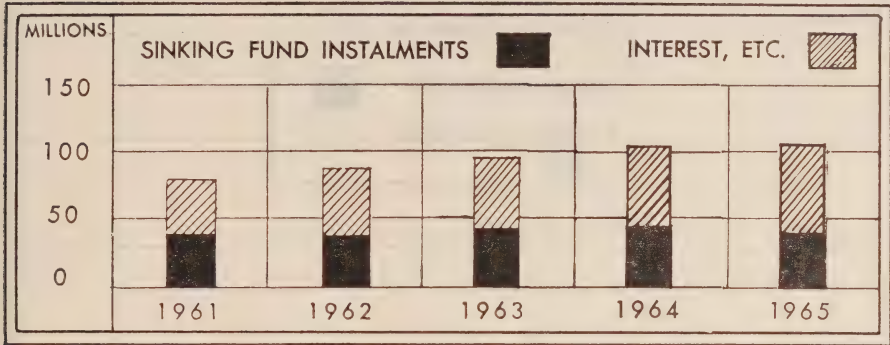
HEALTH SERVICES



YEAR ENDED MARCH 31	AMOUNT
1961	\$ 88,960,472
1962	130,316,189
1963	144,302,638
1964	122,025,920
1965	154,601,128

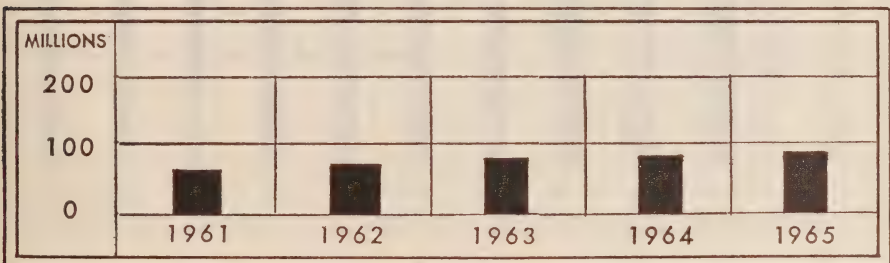
ORDINARY EXPENDITURE
YEARS ENDED MARCH 31, 1965

PUBLIC DEBT



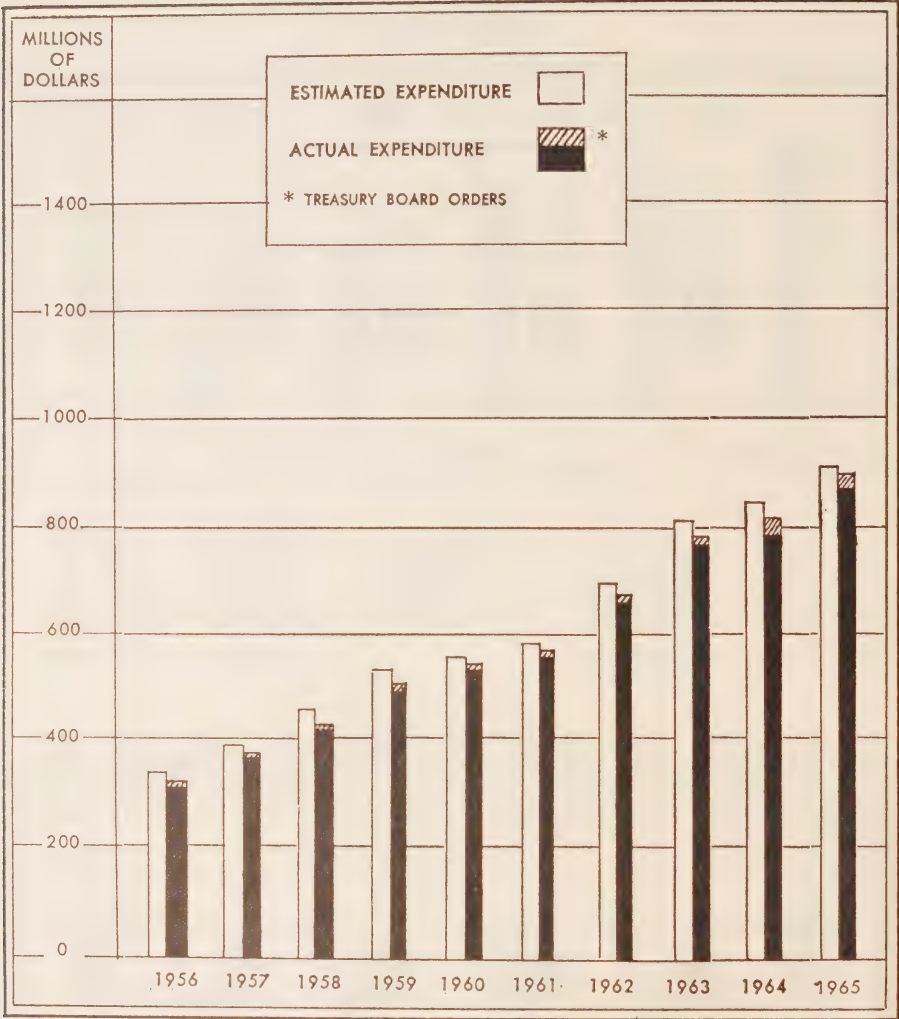
YEAR ENDED MARCH 31	SINKING FUND INSTALMENTS	INTEREST, ETC.	TOTAL
1961	\$33,822,000	\$44,410,520	\$78,232,520
1962	35,802,000	50,313,662	86,115,662
1963	39,000,000	57,406,874	96,406,874
1964	41,500,000	60,739,257	102,239,257
1965	40,000,000	62,440,778	102,440,778

HIGHWAYS AND ROADS, MAINTENANCE, GRANTS, Etc.



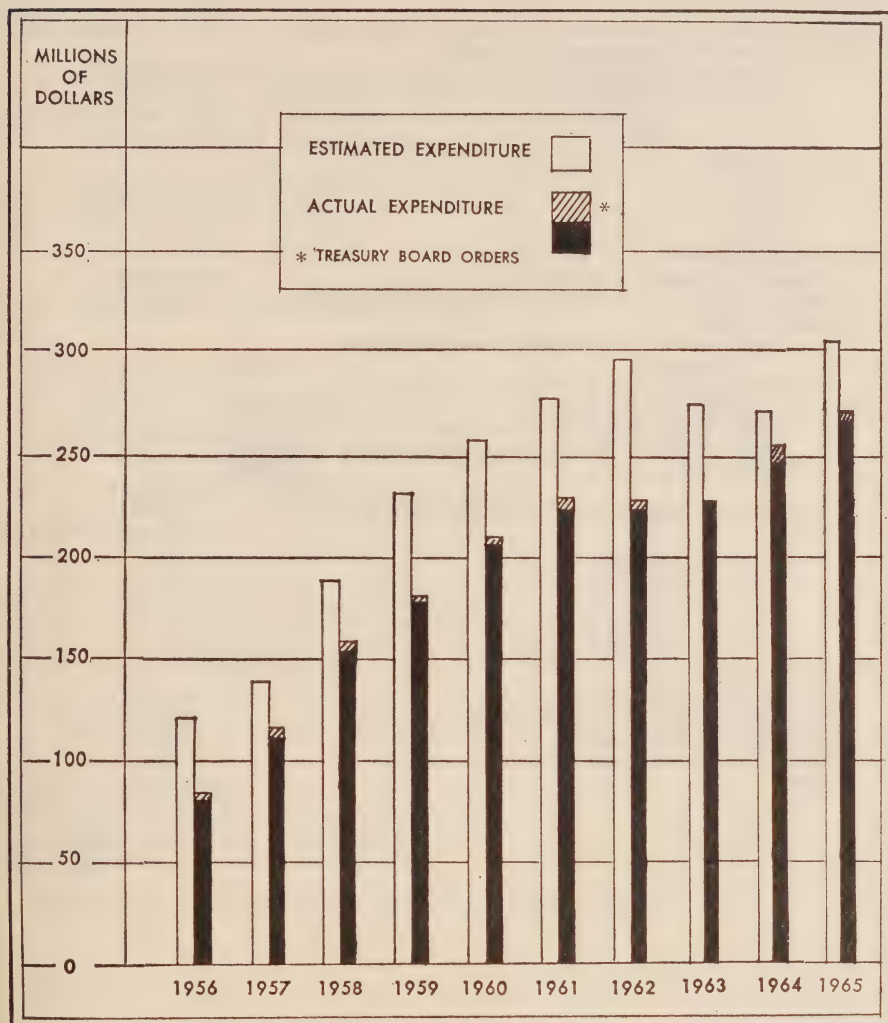
YEAR ENDED MARCH 31	AMOUNT
1961	\$71,563,798
1962	73,665,402
1963	78,784,248
1964	81,579,733
1965	88,538,129

ESTIMATED NET ORDINARY VOTED EXPENDITURE
COMPARED WITH ACTUAL NET ORDINARY VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1965



YEAR ENDED MARCH 31	ESTIMATED NET ORDINARY VOTED EXPENDITURE	ACTUAL NET ORDINARY VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1956	\$342,382,000	\$326,780,728	\$9,171,543	\$335,952,271
1957	390,372,000	374,572,562	3,268,081	377,840,643
1958	455,108,500	428,260,609	7,020,270	435,280,879
1959	531,676,500	506,037,469	5,075,319	511,112,788
1960	561,796,000	535,551,563	6,385,557	541,937,120
1961	588,203,400	558,082,501	7,842,746	565,925,247
1962	687,030,500	649,736,213	10,573,093	660,309,306
1963	802,135,000	765,599,893	10,696,506	776,296,399
1964	834,456,000	789,664,393	18,103,088	807,767,481
1965	911,041,200	876,567,197	31,926,320	908,493,517

**ESTIMATED NET CAPITAL VOTED EXPENDITURE
COMPARED WITH ACTUAL NET CAPITAL VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1965**



YEAR ENDED MARCH 31	ESTIMATED NET CAPITAL VOTED EXPENDITURE	ACTUAL NET CAPITAL VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1956	\$122,878,000	\$ 83,906,424	\$ 2,951	\$ 83,909,375
1957	142,008,000	114,315,129	4,956,458	119,271,587
1958	188,044,000	150,851,738	4,594,280	155,446,018
1959	230,810,000	178,876,677	743,400	179,620,077
1960	258,127,000	207,399,300	1,637,177	209,036,477
1961	275,600,000	225,839,595	4,880,319	230,719,914
1962	298,009,000	227,725,859	519,719	228,245,578
1963	275,392,000	229,084,116	.....	229,084,116
1964	273,375,000	248,303,551	7,558,276	255,861,827
1965	303,707,000	269,871,194	3,168,158	273,039,352

**SOURCE AND
For Fiscal Year**

SOURCE OF FUNDS—

Excess of Ordinary Revenue over Ordinary Expenditure.....	\$	440,676
Add: Items not requiring an outlay of funds:		
Provision for Sinking Fund.....	\$	40,000,000
Discount and Exchange on Debentures, written off.....		1,733,211
		<u>41,733,211</u>

Increase in Liabilities:

Debentures Issued (net of discount).....	\$159,568,750	
Demand Deposits with Province of Ontario Savings Office (net)	458,995	
Special Funds:		
Public Service Superannuation and Retirement		
Funds (net).....	\$23,779,982	
Hospital Services Commission of Ontario—		
Special Account.....	12,000,000	
Motor Vehicle Accident Claims Fund.....	1,341,191	
Ontario Research Foundation re Sheridan Park	3,520,000	
Other (net).....	1,435,863	
	<u>42,077,036</u>	
Bequests, Scholarships and Outstanding Cheques (net).....	140,113	
		<u>202,244,894</u>

Decrease in Assets:

Loans and Advances Repaid.....	\$	6,147,803
Proceeds from Sinking Fund Investments matured.....		6,730,000
Uninvested Sinking Fund.....		9,657,066
Sale of Capital Assets and Recoveries.....		1,737,235
Other.....		12,259
		<u>24,284,363</u>
		<u>\$268,703,144</u>

APPLICATION OF FUNDS

ended March 31, 1965

APPLICATION OF FUNDS—

Investments in Physical Assets:

Highways.....	\$210,497,998	
Mining and Access Roads, etc.....	1,645,163	
		\$212,143,161
Land and Buildings.....	\$ 36,020,191	
Municipal Drainage, Dams, Docks, etc.....	973,323	
		36,993,514
Rural Power Transmission Lines.....		519,872
Conservation Projects, etc.....		4,830,077
Special Projects re Townsites.....		325,850
Provincial Parks.....		917,485
		\$255,729,959
Less—Financed out of Ordinary Revenue.....		187,000,000
		<u>\$ 68,729,959</u>

Increase in Other Assets:

Cash on Hand and in Banks.....	\$ 3,685,070	
Temporary Investments (net).....	39,376,055	
Loans and Advances:		
The Ontario Junior Farmer Establishment Loan Corporation.....	\$ 9,200,000	
The Ontario Municipal Improvement Corpora- tion.....	1,384,500	
The Ontario Universities Capital Aid Corpora- tion.....	45,600,000	
The Sheridan Park Corporation.....	2,000,000	
Ontario Water Resources Commission.....	7,399,598	
The Municipality of Metropolitan Toronto...	20,000,000	
The Municipal Works Assistance Act—1963..	5,860,323	
The Public Hospitals Act, Sec. 5a.....	3,079,000	
Other.....	4,050,539	
		98,573,960
Sinking Fund Investments Purchased.....		9,267,000
		<u>150,902,085</u>

Decrease in Liabilities:

Debentures Retired through Sinking Fund.....	\$ 47,120,066	
Debentures Retired at Maturity.....	1,592,934	
Miscellaneous—Mortgage Principal.....	134,369	
		48,847,369
Repayment to Government of Canada under Tax Rental Agreement, 1952-56...		223,731
		<u>\$268,703,144</u>

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1965**

NAME	PURPOSE	PAR VALUE
Acton, Town of.....	Water, Sewers and Schools \$	469,300.00
Ajax, Town of.....	Schools.....	102,500.00
Ajax, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	54,200.00
Alberton, Township of.....	Schools.....	94,700.00
Albion, Township of—Board of Trustees of Roman Catholic Separate School Section No. 8.....	Schools.....	31,000.00
Alliston, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	51,000.00
Amherstburg, Town of.....	Schools.....	150,400.00
Ancaster, Township of.....	Schools.....	39,000.00
Anderdon and Sandwich West, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2 and 8.....	Schools.....	19,000.00
Armstrong, Township of—Public School Board of School Section No. 1.....	Schools.....	53,400.00
Atikokan, Township of.....	Water, Sewers and Schools	447,600.00
Aurora, Town of.....	Water, Sewers and Schools	497,300.00
Aurora, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	131,200.00
Aweres, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	48,800.00
Badgerow, Field, Gibbons and Grant, Townships of— Board of Trustees of Roman Catholic Union Sepa- rate School, United Sections Nos. 1; 1; 1, 2 and 4; and 1.....	Schools.....	172,000.00
Bala, Town of.....	Schools.....	48,900.00
Balfour, Township of.....	Schools.....	92,800.00
Bancroft, Village of.....	Schools.....	78,000.00
Bancroft, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	84,700.00
Barclay, Improvement District of.....	Schools.....	143,500.00
Barrie, City of—Board of Trustees of Roman Catholic Separate School Section No. 12.....	Schools.....	56,500.00
Bath, Village of.....	Water.....	28,300.00
Baxter, (Unorganized) Township of—Public School Board of School Section No. 2.....	Schools.....	33,800.00
Beardmore, Improvement District of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	48,800.00
Bertie, Township of.....	Water.....	53,000.00
Bicroft, Improvement District of.....	Water, Sewers and Schools	525,800.00
Bicknell, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	5,400.00
Black River, Township of.....	Water and Sewers.....	40,600.00
Blenheim, Township of—Board of Trustees of Roman Catholic Separate School Section No. 21.....	Schools.....	33,700.00
Blezard, Township of.....	Schools.....	61,800.00
Blind River, Town of.....	Water, Sewers and Schools	1,023,793.08
Blind River, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	372,100.00
Bolton, Village of.....	Schools.....	40,200.00
Bonfield, Township of.....	Schools.....	65,900.00
Bosanquet, Township of.....	Schools.....	267,500.00
Bothwell, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	37,000.00
Bracebridge, Town of.....	Water and Schools.....	579,300.00
Braeside, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	34,500.00
Brampton, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	87,900.00
Brantford, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	69,400.00
Britton, Wainwright and Zealand—Public School Board of the Township School Area.....	Schools.....	80,300.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1965**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Broder, (Unorganized) Township of—Public School Board of Section No. 2	Schools.....	\$ 89,200.00
Broder, (Unorganized) Township of—Public School Board of Section No. 3	Schools	59,344.92
Broder and Dill, Townships of—Board of Public School Trustees, Union School Section No. 1	Schools	99,700.00
Broder and Dill, Townships of—Board of Trustees of Roman Catholic Separate School, United Sections Nos. 1 and 1	Schools	73,100.00
Bruce Mines, Town of	Schools	87,900.00
Brudenell and Lyndoch and Radcliffe Union, Townships of—Board of Trustees of Roman Catholic Union Separate Schools, United Sections Nos. 3 and 3	Schools	15,500.00
Brunel, Township of	Schools	36,300.00
Burchell Lake, Public School Board of School Section No. 1	Schools	35,700.00
Burk's Falls, Village of	Schools	336,000.00
Burlington, Town of	Schools	693,000.00
Burlington, Town of—Board of Trustees of Roman Catholic Separate Schools	Schools	310,950.00
Burlington-Nelson, Board of Management Inter-Urban Area of	Water	122,000.00
Caledonia, Village of—Board of Trustees of Roman Catholic Separate School	Schools	29,400.00
Calvert, Township of	Water, Sewers and Schools	146,600.00
Calvert, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 1 and 4	Schools	168,700.00
Caivert, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4	Schools	114,900.00
Capreol, Town of	Water and Sewers	22,100.00
Carew and Cavell, Townships of—Board of Public School Trustees of Union School Section No. 1	Schools	25,400.00
Carnarvon, Township of	Schools	115,300.00
Cartier, (Unorganized) Township of—Board of Trustees of Public School Section No. 1	Schools	500.00
Casgrain, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2	Schools	29,400.00
Cayuga, Village of—Board of Trustees of Roman Catholic Separate School	Schools	23,100.00
Chapleau, Township of	Sewers	135,000.00
Chatham, Township of	Water	23,500.00
Chelmsford, Town of	Water and Schools	18,700.00
Chippawa, Village of	Water, Sewers and Schools	561,200.00
Chippawa, Village of—Board of Trustees of Roman Catholic Separate Schools	Schools	91,100.00
Christie, Township of	Schools	30,680.00
Cobalt, Town of	Schools	173,300.00
Cobden, Village of	Water and Sewers	31,000.00
Cobden, Village of—Board of Trustees of Roman Catholic Separate Schools	Schools	17,192.00
Cochrane, Town of	Sewers	49,000.00
Colchester North, Township of	Schools	73,200.00
Colchester North, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2 and 5	Schools	25,800.00
Conger and Cowper, Townships of—Board of Public School Trustees, Union School Section No. 4	Schools	15,050.00
Conmee, Township of	Schools	36,500.00
Crystal Beach, Village of	Water and Sewers	75,300.00
Crystal Beach, Village of—Board of Trustees of Roman Catholic Separate Schools	Schools	33,900.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1965**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Dawson Road, Forbes and Goldie, Township School Area of—Public School Board.....	Schools.....	\$ 39,300.00
DeRoche, Jarvis, Hodgins, Gaudette and Shields—Public School Board of the Township School Area..	Schools.....	14,800.00
Dill and Cleland, Townships of—Public School Board of Sections Nos. 3 and 1.....	Schools.....	40,000.00
Dorchester South, Yarmouth, Westminster and Dorchester North, Townships of—Board of Trustees of Roman Catholic Separate School, Union Public School Sections Nos. 11, 20, 12 and 20.....	Schools.....	33,000.00
Dorion, Improvement District of.....	Schools.....	32,400.00
Dover, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 3, 7, 9, 13 and 14.....	Schools.....	108,300.00
Dowling, Township of.....	Schools.....	34,000.00
Dowling, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	32,500.00
Draper, Township of.....	Schools.....	50,600.00
Drury, Denison and Graham, United Townships of...	Schools.....	82,500.00
Dryden, Town of.....	Water.....	13,800.00
Dryden and Awrey, Townships of—Board of Public School Trustees of Union School Section Nos. 3; and 1.....	Schools.....	55,900.00
Dungannon, Township of.....	Schools.....	30,400.00
Dymond, Township of.....	Schools.....	46,500.00
Dysart, Guilford, Harburn, Dudley, Harcourt, Bruton, Havelock, Eyre and Clyde, Townships of.....	Schools.....	15,000.00
Eilber, Barker and Devitt, (Unorganized) Townships of—Public School Board of School Section No. 1..	Schools.....	26,300.00
Elliot Lake, Improvement District of.....	Water, Sewers and Schools	6,889,600.00
Elliot Lake, Improvement District of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	519,200.00
Elmvale, Village of.....	Water.....	400.00
Essa, Township of.....	Schools.....	37,000.00
Essex, County of.....	Schools.....	259,600.00
Etobicoke, Township of.....	Water and Sewers.....	342,000.00
Etobicoke, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 11 and 15.....	Schools.....	266,200.00
Eton, Aubrey, Wainwright and Van Horne, (Unorganized) Townships of—Public School Board of the Township School Area.....	Schools.....	119,200.00
Falconbridge, Township of.....	Schools.....	92,400.00
Faraday, Township of.....	Schools.....	72,600.00
Fenwick, Haviland and Vankoughnet—Public School Board of Township School Area.....	Schools.....	112,700.00
Fisher, (Unorganized) Township of—Board of Trustees of Roman Catholic Separate School Section No. 1....	Schools.....	11,800.00
Fisher and Herrick, Townships of—Board of Public School Trustees of Union School Section No. 1....	Schools.....	35,200.00
Fonthill, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	100,500.00
Fort Frances, Town of.....	Water and Sewers.....	3,100.00
Fort Frances, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	51,500.00
Freeman, Township of.....	Schools.....	3,200.00
Frontenac, County of.....	Schools.....	599,000.00
Garson, Township of—Board of Trustees of Roman Catholic Separate School Sections Nos. 2 and 3....	Schools.....	206,400.00
Georgetown, Town of.....	Water, Sewers and Schools	830,400.00
Georgetown, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	137,900.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1965**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Geraldton, Town of.....	Schools.....	\$ 143,900.00
Glackmeyer, Township of.....	Schools.....	19,600.00
Gladstone, Bright, Parkinson, Patton and Eley, (Unorganized) Townships of—Board of School Trustees of Township School Area.....	Schools.....	29,400.00
Glencoe, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	14,700.00
Gloucester, Township of.....	Schools.....	96,600.00
Gore Bay, Town of.....	Water and Schools.....	174,300.00
Gorham and Ware, Townships of—Public School Board of the Township School Area.....	Schools.....	48,200.00
Gould, Wells, Parkinson, and Grassetto—Public School Board of the Township School Area.....	Schools.....	1,700.00
Grimsby, Town of.....	Schools.....	89,500.00
Grimsby North, Township of.....	Schools.....	13,800.00
Hagar, Loughrin and Awrey, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 1 and 2; 1; and 1.....	Schools.....	51,200.00
Haultain, Milner and Nicol—Public School Board of the Township School Area.....	Schools.....	45,600.00
Hawkesbury, Town of.....	Water and Sewers.....	8,500.00
Hearst, Town of.....	Water and Sewers.....	24,000.00
Hensall, Village of.....	Schools.....	80,900.00
Herschel, Township of.....	Schools.....	13,600.00
Hespeler, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	67,400.00
Hilliard, Township of.....	Schools.....	22,200.00
Himsworth South, Township of.....	Schools.....	63,500.00
Houghton, Township of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	31,200.00
Howland, Township of.....	Schools.....	12,000.00
Ignace, Township of.....	Schools.....	33,300.00
Ingram, (Unorganized) Township of—Board of Trustees of the Township School Area.....	Schools.....	7,300.00
Innisfil, Township of.....	Schools.....	121,400.00
Jaffray and Melick, Township of.....	Schools.....	92,000.00
Jaffray and Melick, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3....	Schools.....	71,300.00
Joan and Phyllis, (Unorganized) Townships of—Board of School Trustees of the Township School Area....	Schools.....	20,200.00
Johnson, Township of.....	Schools.....	35,200.00
Kashabowie, Township of—Public School Board of School Section No. 1.....	Schools.....	30,100.00
Keewatin, Town of.....	Schools.....	264,000.00
Keewatin, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	76,500.00
Kendrey, Improvement District of.....	Water and Sewers.....	56,900.00
Kennedy, Brower, Fox and Pyne—Public School Board of the Township School Area.....	Schools.....	31,200.00
Kilkenny, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	36,800.00
Kingston, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	51,500.00
Korah, Township of.....	Water, Sewers and Schools	61,600.00
Korah, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	72,100.00
Korah, Township of—Board of Trustees of Roman Catholic Union Separate School, United School Sections Nos. 3 and 5.....	Schools.....	57,600.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
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SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Laird, Township of.....	Schools.....	\$ 91,900.00
Lakefield, Village of.....	Water and Schools.....	206,500.00
Lakefield, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	31,000.00
Larder Lake, Township of.....	Schools.....	28,800.00
Leduc, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	44,500.00
Lewis, Township of—Board of Trustees of the Public School Section No. 2.....	Schools.....	8,100.00
Lewis and Spragge, Townships of—Board of Public School Trustees, Union School Section No. 2.....	Schools.....	27,000.00
Lion's Head, Village of.....	Schools.....	65,900.00
Little Current, Town of.....	Schools.....	97,280.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 20.....	Schools.....	57,700.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 21.....	Schools.....	65,400.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 22.....	Schools.....	113,500.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 23.....	Schools.....	109,500.00
Long and Striker, Townships of—Board of Trustees of Public School Union Sections Nos. 1; and 1.....	Schools.....	43,200.00
Louth, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	141,100.00
Lutterworth, Township of.....	Schools.....	31,000.00
Lybster and South Marks, (Unorganized) Townships of—Board of School Trustees of the Township School Area.....	Schools.....	60,000.00
Macaulay, Township of.....	Schools.....	68,200.00
Macdonald, Meredith and Aberdeen Additional, Townships of.....	Schools.....	55,300.00
Machin, Township of.....	Schools.....	80,029.60
Madoc, Village of.....	Water and Sewers.....	11,500.00
Magnetawan, Village of.....	Schools.....	19,000.00
Maidstone, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7.....	Schools.....	46,700.00
Manitouwadge, Improvement District of.....	Water and Schools.....	1,354,700.00
Manitouwadge, Improvement District of—Board of Trustees of the Township School Area.....	Schools.....	434,100.00
Markham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	57,500.00
Marmora, Village of.....	Schools.....	66,100.00
Massey, Town of.....	Schools.....	26,300.00
Matheson, Town of.....	Water, Sewers and Schools.....	134,600.00
Mattawa, Town of.....	Water and Sewers.....	75,300.00
Michipicoten, Township of.....	Schools.....	187,500.00
Middleton, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	40,700.00
Middleton and North Walsingham, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections, Nos. 6 and 22.....	Schools.....	60,200.00
Milton, Town of.....	Sewers and Schools.....	252,100.00
Minaki, (Unorganized) Township of—Public School Board of Section No. 1.....	Schools.....	20,300.00
Monmouth, Township of.....	Schools.....	41,800.00
Moore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	10,800.00
Nakina, Improvement District of.....	Schools.....	66,400.00
Neelon and Garson, United Townships of.....	Water and Schools.....	326,355.00
New Liskeard, Town of.....	Water and Sewers.....	2,600.00
Newmarket, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	97,400.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1965**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Niagara, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	\$ 87,900.00
Niagara, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	32,500.00
Niagara Falls, City of.....	Water.....	533,000.00
Nipigon, Township of.....	Water and Sewers.....	134,900.00
North Fredericksburgh, Township of.....	Schools.....	4,500.00
North Gwillimbury, Township of.....	Schools.....	162,800.00
North York, Township of.....	Incinerator, Water and Sewers.....	329,000.00
Oakley, Township of.....	Schools.....	34,200.00
Oakville, Town of.....	Water, Sewers and Schools	1,148,300.00
Oakville, Town of—Board of Trustees of Roman Catholic Separate School Section No. 13.....	Schools.....	130,700.00
Oakville, Town of—Board of Trustees of Roman Catholic Separate School Section No. 18.....	Schools.....	107,700.00
Oliver, Township of.....	Schools.....	49,400.00
Onaping, Improvement District of.....	Schools.....	126,300.00
Oro, Township of.....	Schools.....	14,500.00
Paipoonge, Township of.....	Schools.....	80,200.00
Parkhill, Town of, and Williams West, Township of—Board of Trustees of Roman Catholic Union Separate School, United Section No. 10.....	Schools.....	34,400.00
Pelham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	32,500.00
Pembroke, Township of.....	Schools.....	53,300.00
Penetanguishene, Town of.....	Schools.....	222,000.00
Petawawa, Township of.....	Schools.....	66,800.00
Pic, Township of—Public School Board of Section No. 1.....	Schools.....	54,200.00
Pickering, Township of.....	Schools.....	867,975.61
Pickering, Village of.....	Schools.....	79,000.00
Playfair, Township of.....	Schools.....	10,100.00
Port Carling, Village of.....	Water.....	13,000.00
Port Credit, Town of.....	Water and Schools.....	186,400.00
Port Credit, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	103,300.00
Port McNicoll, Village of.....	Water.....	7,600.00
Powassan, Town of.....	Schools.....	268,500.00
Prescott, Town of.....	Schools.....	97,000.00
Prince, Township of.....	Schools.....	40,002.00
Rainy River, Town of.....	Schools.....	109,500.00
Rayside, Township of.....	Schools.....	124,500.00
Redditt, Township of—Public School Board of Section No. 1.....	Schools.....	18,000.00
Red Lake, Township of.....	Schools.....	174,700.00
Red Lake, Township of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	119,900.00
Red Rock, Improvement District of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	64,900.00
Renfrew, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	118,600.00
Richmond Hill, Town of.....	Schools.....	221,000.00
Richmond Hill, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	58,600.00
Riverside, Town of.....	Water, Sewers and Schools	44,400.00
Riverside, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	506,100.00
Rockland, Town of.....	Water.....	20,300.00
Rodney, Village of, and Aldborough, Township of—Board of Trustees of Roman Catholic Union Separate School for the Village and Section No. 5.....	Schools.....	29,400.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
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SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Ryan, Kincaid and Herrick, Townships of—Board of Public School Trustees, Union School Section Nos. 1, 1 and 2.....	Schools.....	\$ 10,500.00
Ryde, Township of.....	Schools.....	40,900.00
St. Catharines, City of.....	Water and Sewers.....	272,500.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	46,000.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	87,900.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School Section No. 8.....	Schools.....	29,400.00
St. Clair Beach, Village of.....	Water, Sewers and Schools	54,650.00
St. Clair Beach, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	34,400.00
St. Joseph, Township of.....	Schools.....	131,093.31
St. Thomas, City of—Board of Trustees of Roman Catholic Separate School Section No. 18.....	Schools.....	97,500.00
Salter, May and Harrow, Townships of.....	Schools.....	68,900.00
Saltfleet, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	135,500.00
Sandwich East, Township of.....	Water, Sewers and Schools	533,274.00
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1....	Schools.....	57,325.00
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3....	Schools.....	3,500.00
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5....	Schools.....	32,500.00
Sandwich South, Township of.....	Schools.....	15,900.00
Sandwich South, Township of—Board of Trustees of Roman Catholic Separate School Section No. 20...	Schools.....	60,800.00
Sandwich West, Township of.....	Water, Sewers and Schools	831,550.00
Sandwich West, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1....	Schools.....	60,800.00
Sandwich West, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2, 3, 4, 7 and 9.....	Schools.....	589,900.00
Sault Ste. Marie, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	173,900.00
Savant Lake—Public School Board of School Section No. 1.....	Schools.....	10,100.00
Schreiber, Township of.....	Water.....	14,000.00
Schreiber, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	17,800.00
Seneca, Township of—Board of Trustees of Roman Catholic Separate School Section No. 11.....	Schools.....	15,100.00
Shebandowan—Public School Board of School Section No. 1.....	Schools.....	20,600.00
Shedden, Township of—Public School Board of Section No. 1.....	Schools.....	57,200.00
Shedden, Township of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	130,900.00
Sherwood, Jones and Burns, Townships of.....	Schools.....	27,500.00
Sibley—Public School Board of the Township School Area.....	Schools.....	31,300.00
Sidney, Township of—Board of Trustees of Roman Catholic Separate School Section No. 11.....	Schools.....	13,700.00
Sioux Lookout, Town of.....	Water, Sewers and Schools	398,840.00
Sioux Lookout, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	80,400.00
Sioux Narrows, Improvement District of—Board of Trustees of the Roman Catholic Separate Schools...	Schools.....	108,400.00
South River, Village of.....	Water.....	45,000.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
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AS AT MARCH 31, 1965**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Spragge, Township of—Public School Board of Section No. 1	Schools	\$ 48,800.00
Stafford, Township of	Schools	28,700.00
Stamford, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 3, 4, 5 and 6	Schools	97,400.00
Stamford, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 4, 5 and 6	Schools	77,400.00
Stamford, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7	Schools	86,100.00
Stisted, Township of	Schools	27,100.00
Stouffville, Village of	Sewers	366,400.00
Strathroy, Town of—Board of Trustees of Roman Catholic Separate Schools	Schools	12,400.00
Streetsville, Town of	Schools	69,000.00
Strong, Township of	Schools	150,200.00
Sturgeon Falls, Town of	Schools	154,800.00
Sudbury, City of	Water, Sewers and Schools	1,392,900.00
Sudbury, City of—Board of Trustees of Roman Catholic Separate Schools	Schools	175,200.00
Sundridge, Village of	Schools	76,400.00
Sunnidale, Township of	Schools	46,500.00
Sutton, Village of	Water	227,300.00
Tarentorus, Township of	Water, Sewers and Schools	222,000.00
Tarentorus, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4	Schools	73,100.00
Tay, Township of	Water	41,600.00
Teck, Township of	Water	102,470.45
Tehkummah, Township of	Schools	34,500.00
Thamesville, Village of—Board of Trustees of Roman Catholic Separate Schools	Schools	38,700.00
Thessalon, Town of	Schools	105,370.00
Thessalon, Township of	Schools	72,100.00
Thorold, Town of—Board of Trustees of Roman Catholic Separate Schools	Schools	151,700.00
Timmins, Town of	Sewers	28,600.00
Timmins, Town of—Board of Trustees of Roman Catholic Separate Schools	Schools	493,100.00
Tisdale, Township of	Water and Sewers	269,800.00
Toronto, Township of	Water, Sewers and Schools	983,300.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1	Schools	84,700.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2	Schools	65,100.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4	Schools	144,500.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5	Schools	105,900.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7	Schools	57,500.00
Toronto Gore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 6	Schools	29,400.00
Trout Creek, Town of	Schools	28,400.00
Twenty-Two, (Unorganized) Township of—Public School Section No. 1	Schools	23,700.00
Twenty-Seven and Twenty-Eight, Townships of—Board of Trustees of Roman Catholic Separate School, Union School Section No. 1	Schools	54,100.00
Upsala, Township School Area of—Public School Board	Schools	32,500.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
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SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Vaughan, Township of—Board of Trustees of Roman Catholic Separate School Section No. 25.....	Schools.....	\$ 68,700.00
Vermilion Additional, Drayton, Jordan and Vermilion, Townships of—Board of Public School Trustees, Union School Sections Nos. 1; 2; 1; and 1.....	Schools.....	85,000.00
Vespra, Township of.....	Schools.....	34,500.00
Wabagoon and Redvers, Township of—Board of Public School Trustees of Union School Sections Nos. 2 and 3.....	Schools.....	91,900.00
Wallaceburg, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	73,200.00
Ware and Dawson Road, Township School Area of—Public School Board.....	Schools.....	46,700.00
Waterford, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	19,600.00
Waters, Township of.....	Schools.....	173,400.00
Webbwood, Town of.....	Schools.....	31,000.00
Welland, City of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	92,800.00
Werner Lake, Public School Board of School Section No. 1.....	Schools.....	27,090.00
West Ferris, Township of.....	Water, Sewers and Schools	587,100.00
Westminster, Township of.....	Schools.....	50,700.00
Westminster, Township of—Board of Trustees of Roman Catholic Separate School Section No. 17...	Schools.....	34,400.00
Whitney, Township of.....	Sewers.....	15,800.00
Wicksteed, Township of.....	Schools.....	100,300.00
Wicksteed, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	86,000.00
Widdifield, Township of.....	Water.....	16,500.00
Windsor, City of.....	Water.....	600,000.00
Windsor, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	854,300.00
Wollaston, Township of.....	Schools.....	35,700.00
Woodbridge, Village of.....	Water and Schools.....	135,300.00
Wyoming, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	29,400.00
Zealand, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	87,100.00
		<u>\$49,369,914.97</u>

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL ORDINARY
REVENUE FOR THE FISCAL YEAR APRIL 1, 1964, TO MARCH 31, 1965**

DEPARTMENT	NET INTERIM ORDINARY REVENUE	NET ACTUAL ORDINARY REVENUE	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture.....	\$ 2,397,000	\$ 2,396,856	\$	\$ 144
Attorney General.....	12,719,000	12,543,864		175,136
Economics and Development.....	13,000	17,141	4,141	
Education.....	3,053,000	5,355,203	2,302,203	
Energy and Resources Management.....	268,000	299,663	31,663	
Health.....	3,461,000	4,669,555	1,208,555	
Highways.....	2,950,000	2,964,070	14,070	
Labour.....	1,431,000	1,470,024	39,024	
Lands and Forests.....	23,320,000	23,273,311		46,689
Mines.....	13,768,000	16,153,324	2,385,324	
Municipal Affairs.....	569,000	579,666	10,666	
Prime Minister.....		57	57	
Provincial Secretary and Citizenship.....	2,840,000	3,095,512	255,512	
Public Welfare.....	30,000	30,169	169	
Public Works.....	1,318,000	1,273,952		44,048
Reform Institutions.....	846,000	868,144	22,144	
Tourism and Information.....	1,123,000	1,126,740	3,740	
Transport.....	81,460,000	88,811,338	7,351,338	
Treasury:				
Main Office—Subsidies.....	4,624,000	4,624,070	70	
Interest.....	72,000	72,633	633	
Miscellaneous.....	328,000	18,884		309,116
Ontario Racing Commission.....	127,000	128,931	1,931	
Liquor Control Board of Ontario.....	110,000,000	113,000,000	3,000,000	
Public Utilities Tax.....	1,000,000	1,064,271	64,271	
Water Power Rentals.....	5,500,000	5,648,380	148,380	
Pension Commission of Ontario.....		76,478	76,478	
International Transit Company Limited—Excess recovered on realization of Investment.....		248,401	248,401	
Comptroller of Revenue—				
Income Tax Collection Agree- ment.....	194,611,000	195,842,112	1,231,112	
Federal Payment re share of Estate Tax.....	15,116,000	15,116,000		
Corporations Tax.....	234,000,000	232,543,374		1,456,626
Retail Sales Tax.....	194,300,000	195,298,715	998,715	
Gasoline Tax.....	220,000,000	221,188,555	1,188,555	
Succession Duty.....	46,000,000	48,682,507	2,682,507	
Motor Vehicle Fuel Tax.....	12,000,000	12,008,230	8,230	
Race Tracks Tax.....	9,200,000	9,372,658	172,658	
Hospitals Tax.....	5,300,000	5,404,781	104,781	
Land Transfer Tax.....	5,200,000	5,381,180	181,180	
Logging Tax.....	2,800,000	2,381,189		418,811
Security Transfer Tax.....	3,900,000	4,214,555	314,555	
Total for Treasury.....	<u>\$1,064,078,000</u>	<u>\$1,072,315,904</u>	<u>\$10,422,457</u>	<u>\$ 2,184,553</u>
	<u>\$1,215,644,000</u>	<u>\$1,237,244,493</u>	<u>\$24,051,063</u>	<u>\$ 2,450,570</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1964, TO MARCH 31, 1965**

DEPARTMENT	NET INTERIM ORDINARY EXPENDITURE	NET ACTUAL ORDINARY EXPENDITURE	INCREASE	DECREASE
Agriculture.....	\$ 21,224,000	\$ 20,481,926	\$	\$ 742,074
Attorney General.....	34,551,000	34,165,803		385,197
Civil Service.....	1,008,000	1,012,911	4,911	
Economics and Development.....	10,572,000	9,857,115		714,885
Education.....	428,031,000	416,852,568		11,178,432
Energy and Resources Management	6,490,000	6,119,865		370,135
Health.....	158,838,000	154,601,128		4,236,872
Highways.....	86,891,000	88,538,129	1,647,129	
Labour.....	5,039,000	5,086,661	47,661	
Lands and Forests.....	29,739,000	28,667,275		1,071,725
Lieutenant Governor.....	27,000	26,121		879
Mines.....	2,577,000	2,545,421		31,579
Municipal Affairs.....	43,631,000	41,221,618		2,409,382
Prime Minister.....	219,000	214,966		4,034
Provincial Auditor.....	545,000	533,649		11,351
Provincial Secretary and Citizenship	4,540,000	5,136,373	596,373	
Public Welfare.....	72,095,000	69,169,714		2,925,286
Public Works.....	13,929,000	13,781,548		147,452
Reform Institutions.....	17,009,000	16,883,724		125,276
Tourism and Information.....	4,839,000	5,003,145	164,145	
Transport.....	7,028,000	7,208,163	180,163	
Treasury.....	20,112,000	19,977,573		134,427
University Affairs.....	151,000	233,436	82,436	
Stationery Account.....		44,206	44,206	
	<u>\$ 969,085,000</u>	<u>\$ 947,363,038</u>	<u>\$ 2,767,024</u>	<u>\$24,488,986</u>
Public Debt:				
Interest, etc.....	62,599,000	62,440,779		158,221
Provision for Sinking Fund.....	40,000,000	40,000,000		
	<u>\$1,071,684,000</u>	<u>\$1,049,803,817</u>	<u>\$ 2,767,024</u>	<u>\$24,647,207</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	143,000,000	187,000,000	44,000,000	
	<u>\$1,214,684,000</u>	<u>\$1,236,803,817</u>	<u>\$46,767,024</u>	<u>\$24,647,207</u>

*8 months' actual—4 months' forecast.

COMPARATIVE SUMMARY

**NET INTERIM* AND ACTUAL ORDINARY REVENUE AND ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1964, TO MARCH 31, 1965**

	INTERIM	ACTUAL	ACTUAL TO INTERIM
Net Ordinary Revenue.....	\$1,215,644,000	\$1,237,244,493	\$21,600,493
Less: Net Ordinary Expenditure (before items below).....	\$1,031,684,000	\$1,009,803,817	\$21,880,183
Provision for Sinking Fund.....	40,000,000	40,000,000	
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	143,000,000	187,000,000	44,000,000
Net Ordinary Expenditure.....	<u>\$1,214,684,000</u>	<u>\$1,236,803,817</u>	<u>\$22,119,817</u>
Surplus.....	<u>\$ 960,000</u>	<u>\$ 440,676</u>	<u>\$ 519,324</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL CAPITAL
RECEIPTS FOR THE FISCAL YEAR APRIL 1, 1964, TO MARCH 31, 1965**

DEPARTMENT	NET INTERIM CAPITAL RECEIPTS	NET ACTUAL CAPITAL RECEIPTS	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Economics and Development.....	\$ 464,000	\$ 958,402	\$ 494,402	\$
Education.....	1,000,000	1,023,066	23,066	
Energy and Resources Management.....	7,000	9,172	2,172	
Highways.....	1,040,000	939,473		100,527
Labour.....	8,500,000	8,621,718	121,718	
Lands and Forests.....	1,000,000	774,692		225,308
Mines.....	6,000	3,971		2,029
Public Welfare.....		9,582	9,582	
Public Works.....	100,000	82,266		17,734
Transport.....	4,050,000	4,680,760	630,760	
Treasury.....	95,980,000	101,112,130	5,132,130	
	<u>\$112,147,000</u>	<u>\$118,215,232</u>	<u>\$6,413,830</u>	<u>\$ 345,598</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL CAPITAL
DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1964, TO MARCH 31, 1965**

DEPARTMENT	NET INTERIM CAPITAL DISBURSE- MENTS	NET ACTUAL CAPITAL DISBURSE- MENTS	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture.....	\$ 500,000	\$ 138,966	\$	\$ 361,034
Economics and Development.....	4,662,000	3,241,991		1,420,009
Education.....	150,000	114,470		35,530
Energy and Resources Management...	17,950,000	12,749,547		5,200,453
Health.....	5,000,000	3,079,000		1,921,000
Highways.....	215,014,000	210,497,998		4,516,002
Labour.....	9,000,000	8,665,774		334,226
Lands and Forests.....	2,500,000	1,562,775		937,225
Mines.....	1,700,000	999,873		700,127
Municipal Affairs.....	49,200,000	26,776,173		22,423,827
Public Welfare.....		44,096	44,096	
Public Works.....	36,425,000	37,127,883	702,883	
Transport.....	3,739,000	3,339,569		399,431
Treasury.....	78,508,000	72,703,247		5,804,753
	<u>\$424,348,000</u>	<u>\$381,041,362</u>	<u>\$ 746,979</u>	<u>\$44,053,617</u>
Less: Financed out of Ordinary Revenue	143,000,000	187,000,000	44,000,000	
	<u>\$281,348,000</u>	<u>\$194,041,362</u>	<u>\$43,253,021</u>	<u>\$44,053,617</u>

*8 months' actual—4 months' forecast.

TREASURY BOARD ORDERS

STATEMENT OF TREASURY BOARD ORDERS ISSUED FOR THE AUTHORIZATION OF EXPENDITURES IN EXCESS OF APPROPRIATIONS DURING THE FISCAL YEAR ENDED MARCH 31, 1965

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	ORDINARY		
	Department of Agriculture		
	Main Office:		
Mar. 31, 1965	Salaries.....	11,500.00	11,486.54
Feb. 16, 1965	Unemployment Insurance.....	1,500.00	778.86
Mar. 31, 1965	Workmen's Compensation Board—awards and costs.....	5,000.00	4,078.10
	Removal expenses of officials:		
Sept. 9, 1964	Order.....\$ 25,000.00		
Feb. 16, 1965	Order.....7,500.00		
		32,500.00	31,075.76
	Agricultural and Horticultural Societies Branch:		
Mar. 31, 1965	Salaries.....	2,500.00	1,432.01
April 5, 1965	Grants under The Community Centres Act.....	60,000.00	52,961.58
	Dairy Branch:		
Mar. 31, 1965	Salaries.....	13,000.00	11,901.82
Mar. 31, 1965	Maintenance.....	17,000.00	16,698.28
	Extension Branch:		
	Maintenance:		
Jan. 25, 1965	Order.....\$200,000.00		
Mar. 31, 1965	Order.....200,000.00		
April 15, 1965	Order.....*125,000.00		
		525,000.00	256,895.80
Feb. 16, 1965	Grants and achievement awards.....	*4,000.00	
	Farm Products Inspection Branch:		
Mar. 31, 1965	Salaries.....	32,000.00	26,529.61
	Farm Products Marketing Board:		
April 7, 1965	Maintenance.....	1,500.00	1,487.09
	Information Branch:		
Dec. 10, 1964	Salaries.....	97,500.00	78,636.49
Dec. 10, 1964	Maintenance.....	9,700.00	9,629.49
	Live Stock Branch:		
April 5, 1965	Salaries.....	9,500.00	2,778.40
Jan. 13, 1965	Maintenance.....	20,000.00	19,908.22
	Marketing Development Branch:		
Nov. 25, 1964	Salaries.....	20,000.00	16,495.67
Nov. 25, 1964	Travelling expenses.....	4,000.00	3,278.18
	Maintenance:		
Nov. 25, 1964	Order.....\$ 36,000.00		
Mar. 31, 1965	Order.....28,500.00		
		64,500.00	51,084.93
June 17, 1964	Grants.....	8,500.00	8,500.00

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Agriculture—Continued				
Feb. 16, 1965	Ontario Food Council:				
	Salaries.....	6,500.00		4,456.16	
Aug. 26, 1964	Maintenance:				
Feb. 16, 1965	Order..... \$ 2,500.00				
	Order..... 1,000.00				
		3,500.00		3,402.01	
	Ontario Junior Farmer Loan Branch:				
Oct. 22, 1964	Salaries.....	51,500.00		47,584.92	
June 30, 1964	Maintenance.....	17,500.00		16,269.64	
	Soils and Crops Branch:				
Feb. 24, 1965	Payments to Municipalities under The Weed Control Act.....	5,500.00		4,795.17	
Feb. 24, 1965	Subventions: Freight on agricultural lime.....	26,000.00		21,052.65	
	Demonstration Farm, New Liskeard:				
Mar. 31, 1965	Salaries.....	500.00		483.68	
	Horticultural Experiment Station, Vineland:				
April 5, 1965	Salaries.....	22,000.00		16,446.63	
	Kemptville Agricultural School:				
April 5, 1965	Salaries.....	28,500.00		27,745.45	
	Western Ontario Agricultural School, Ridgeway:				
April 5, 1965	Salaries.....	22,500.00		18,118.58	
	Federated Colleges, Guelph:				
Mar. 31, 1965	Salaries.....	420,000.00		364,980.39	
		1,543,200.00		1,130,972.11	
	Department of Attorney General				
	Main Office (Attorney General):				
April 7, 1965	Maintenance.....	4,500.00		4,494.60	
Jan. 5, 1965	Royal Commissions.....	14,000.00		11,687.32	
	Main Office (Insurance):				
April 7, 1965	Salaries.....	12,000.00		11,156.32	
April 7, 1965	Maintenance.....	50,000.00		37,384.23	
	Ontario Police Commission:				
	Salaries:				
Nov. 23, 1964	Order..... \$ 28,000.00				
Mar. 24, 1965	Order..... 19,500.00				
		47,500.00		44,864.09	
Nov. 23, 1964	Maintenance.....	32,500.00		32,066.82	
	Legislative Counsel:				
	Salaries:				
Jan. 27, 1965	Order..... \$ 4,000.00				
April 15, 1965	Order..... 500.00				
		4,500.00		4,226.75	
April 7, 1965	Maintenance.....	2,000.00		1,918.65	
	Administration and Finance Division:				
Jan. 27, 1965	Salaries.....	59,000.00		55,541.65	
	Workmen's Compensation Board—awards and costs:				
Sept. 23, 1964	Order..... \$ 1,000.00				
Jan. 5, 1965	Order..... 2,000.00				
April 7, 1965	Order..... 2,000.00				
		5,000.00		4,906.43	

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Attorney General—Continued				
	Legislation and Civil Law Division:				
Jan. 27, 1965	Salaries.....	51,000.00		43,392.30	
April 7, 1965	Maintenance.....	2,500.00		2,499.30	
	Criminal Law Division:				
Jan. 27, 1965	Salaries.....	80,000.00		76,104.16	
Oct. 7, 1964	Crown Counsel Prosecutions.....	30,000.00		29,997.87	
	Administration of Justice Division:				
Jan. 27, 1965	Salaries.....	620,000.00		388,477.04	
	Maintenance:				
Jan. 27, 1965	Order.....		\$ 6,000.00		
April 15, 1965	Order.....		40,000.00		
		46,000.00		45,849.89	
Feb. 17, 1965	Grants.....	2,500.00		2,185.50	
April 7, 1965	Administration of Justice—Districts.....	20,000.00		19,831.34	
April 15, 1965	Reimbursement of Salaries of Judges and Court Officials; Maintenance of Offices—Judicial Districts.....	10,000.00		9,967.13	
Feb. 17, 1965	Services of Children's Aid Societies and other Reporting Agents.....	72,000.00		62,159.80	
	Public Safety Division:				
Jan. 27, 1965	Salaries.....	62,000.00		30,537.37	
	Maintenance:				
Oct. 22, 1964	Order.....		\$ 72,000.00		
Jan. 25, 1965	Order.....		*17,400.00		
		89,400.00		40,440.67	
Jan. 25, 1965	Emergency Measures Organization, Municipal Projects.....	*82,700.00		.....
	Ontario Securities Branch:				
Oct. 7, 1964	Salaries.....	19,000.00		1,155.42	
Oct. 7, 1964	Maintenance.....	30,000.00		29,975.22	
Oct. 7, 1964	Investigations and Miscellaneous Services.....	8,000.00		7,973.96	
July 29, 1964	Committee investigating "take-over bids" and corporate insiders.....	55,000.00		52,783.25	
	Ontario Provincial Police:				
Mar. 3, 1965	Salaries.....	925,000.00		899,400.85	
Mar. 3, 1965	Mobile Equipment—Purchase and Maintenance..	130,000.00		129,843.13	
		2,566,100.00		2,080,821.06	
	Department of Civil Service				
	Main Office:				
Feb. 24, 1965	Salaries.....	8,500.00		5,108.85	
Sept. 30, 1964	Maintenance.....	5,000.00		4,998.54	
	Recruiting and Examination Services:				
Sept. 30, 1964	Maintenance.....	3,000.00		2,997.24	
	Administrative Services:				
Feb. 24, 1965	Salaries.....	3,000.00		1,818.19	
Oct. 22, 1964	Maintenance.....	10,000.00		9,990.32	
		29,500.00		24,913.14	

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Economics and Development		
	Main Office:		
Feb. 16, 1965	Salaries.....	18,000.00	17,382.21
April 7, 1965	Travelling.....	3,000.00	1,774.41
April 7, 1965	Maintenance.....	61,500.00	61,339.71
Oct. 29, 1964	Postage—entire department.....	8,000.00	7,977.25
	Economics Branch:		
April 7, 1965	Maintenance.....	9,000.00	8,948.96
	Ontario House:		
April 7, 1965	Salaries.....	7,000.00	6,014.46
	Maintenance including rent and rates, allowances, and general operating expenses:		
Feb. 16, 1965	Order.....\$ 18,000.00		
April 7, 1965	Order.....17,000.00		
		35,000.00	34,909.22
April 7, 1965	Expenses of renovation.....	43,500.00	41,389.46
	Regional Development Services:		
Feb. 16, 1965	Salaries.....	2,000.00	903.09
	Special Research and Surveys Branch:		
Feb. 16, 1965	Salaries.....	9,000.00	8,485.07
	Trade and Industry Branch:		
Feb. 16, 1965	Salaries.....	16,000.00	14,475.69
Feb. 3, 1965	Travelling expenses.....	12,000.00	11,092.02
April 7, 1965	Maintenance.....	41,000.00	40,106.12
		265,000.00	254,797.67
	Department of Education		
	Main Office and General Departmental Expenses:		
	Main Office:		
Feb. 16, 1965	Salaries.....	50,000.00	43,190.74
	Maintenance:		
Dec. 18, 1964	Order.....\$ 10,000.00		
Feb. 16, 1965	Order.....13,500.00		
		23,500.00	21,843.56
	General Departmental Expenses:		
	Maintenance:		
Dec. 18, 1964	Order.....\$ 19,000.00		
Feb. 16, 1965	Order.....10,000.00		
Mar. 24, 1965	Order.....15,000.00		
		44,000.00	35,885.93
Oct. 29, 1964	Moving expenses of Departmental Officials....	29,000.00	21,810.28
Feb. 16, 1965	Travelling expenses.....	5,000.00	4,271.56
Dec. 18, 1964	Unemployment insurance.....	5,000.00	1,794.89
	Unforeseen and unprovided:		
Sept. 2, 1964	Order.....\$ 3,000.00		
Dec. 18, 1964	Order.....5,000.00		
		8,000.00	7,900.58
Dec. 30, 1964	Information Services—travelling, expenses, etc....	15,000.00	7,353.28
	Elementary Education Branch:		
Feb. 16, 1965	Salaries.....	60,000.00	56,327.85
April 15, 1965	Travelling and district office expenses.....	35,000.00	31,539.96
Feb. 16, 1965	Maintenance.....	4,500.00	810.87
	Secondary Education Branch:		
	Salaries:		
Feb. 16, 1965	Order.....\$ 11,500.00		
Mar. 24, 1965	Order.....5,000.00		
		16,500.00	15,446.88

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Education—Continued		
	Technological and Trades Training Branch:		
	Salaries:		
Nov. 18, 1964	Order.....	\$116,900.00	
Feb. 16, 1965	Order.....	100,000.00	
Mar. 24, 1965	Order.....	173,000.00	
		389,900.00	368,825.65
	Maintenance:		
Nov. 18, 1964	Order.....	\$ 49,800.00	
Feb. 16, 1965	Order.....	23,000.00	
Mar. 24, 1965	Order.....	30,000.00	
		102,800.00	99,770.07
	Instructional supplies:		
Nov. 18, 1964	Order.....	\$ 82,500.00	
Mar. 3, 1965	Order.....	3,000.00	
Mar. 24, 1965	Order.....	11,000.00	
		96,500.00	96,481.42
	Teacher Education Branch:		
	Salaries:		
Mar. 24, 1965	Order.....	\$113,000.00	
April 7, 1965	Order.....	6,500.00	
		119,500.00	115,424.61
	Professional Development Branch:		
Mar. 31, 1965	Salaries.....	3,000.00	2,962.39
	Special Educational Services Branch:		
Feb. 16, 1965	Salaries.....	140,000.00	139,122.81
	Maintenance:		
Mar. 3, 1965	Order.....	\$ 20,000.00	
Mar. 24, 1965	Order.....	20,000.00	
		40,000.00	29,922.67
Oct. 22, 1964	Revision of Correspondence Courses—services, expenses, etc.....	9,000.00	6,800.00
Mar. 3, 1965	Marking and evaluating correspondence lessons— services, etc.....	100,000.00	95,410.15
	Registrar's Branch:		
	Salaries:		
Feb. 16, 1965	Order.....	\$ 51,000.00	
April 15, 1965	Order.....	4,000.00	
		55,000.00	54,357.09
Feb. 16, 1965	Maintenance.....	8,000.00	2,268.00
	Curriculum and Text-Books Branch:		
Mar. 24, 1965	Revision of courses—services, travelling expenses, etc.....	10,000.00	9,913.87
	Community Programmes Branch:		
Dec. 7, 1964	Travelling and office expenses of District Officers..	3,000.00	2,971.87
Jan. 13, 1965	Leadership Training Courses and Conferences, etc. —services, travelling expenses, etc.....	5,000.00	4,942.31
	Federal-Provincial Agreements:		
	Various programmes, services, expenses, etc.:		
Feb. 3, 1965	Order.....	\$2,750,000.00	
Mar. 24, 1965	Order.....	1,750,000.00	
		4,500,000.00	4,393,268.92
	Scholarships, Bursaries, etc.:		
Jan. 27, 1965	Ontario Scholarships and Bursaries.....	200,000.00	199,899.35

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Education—Continued		
	Legislative Grants, etc.:		
Feb. 3, 1965	General Legislative Grants.....	12,900,000.00	10,696,292.69
Mar. 17, 1965	Assistance in payment of cost of education of retarded children.....	250,000.00	248,012.14
Feb. 16, 1965	Special capital grants for school accommodation for retarded children.....	35,000.00	33,417.75
	Miscellaneous Grants:		
Aug. 26, 1964	Order.....\$ 84,000.00		
Dec. 18, 1964	Order.....20,000.00	104,000.00	99,199.96
	Grants to Provincial and Other Universities, etc.:		
April 5, 1965	Queen's University.....	300,000.00	300,000.00
Feb. 3, 1965	University of Guelph.....	400,000.00	400,000.00
		20,066,200.00	17,647,440.10
	Department of Energy and Resources Management		
	Main Office:		
April 15, 1965	Travelling expenses.....	1,500.00	1,436.11
Feb. 16, 1965	Maintenance.....	8,000.00	6,059.68
Feb. 16, 1965	Special investigations and reports relating to Energy.....	1,000.00	656.60
Jan. 25, 1965	Boards of Arbitration.....	3,000.00	1,626.47
	Energy Branch:		
Mar. 24, 1965	Salaries.....	19,000.00	18,030.79
	Maintenance:		
Feb. 16, 1965	Order.....\$ 14,000.00		
April 15, 1965	Order.....2,500.00	16,500.00	16,474.85
	Ontario Energy Board:		
Feb. 16, 1965	Maintenance.....	2,000.00	597.67
	Conservation Authorities Branch:		
	Maintenance:		
Feb. 16, 1965	Order.....\$ 5,000.00		
April 15, 1965	Order.....1,000.00	6,000.00	5,169.33
Mar. 31, 1965	Grants to Conservation Authorities (The Conservation Authorities Act, R.S.O. 1960, Sec. 42, as amended 1961-62).....	39,500.00	39,243.70
	Ontario Water Resources Commission:		
April 15, 1965	Salaries.....	106,000.00	57,816.71
		202,500.00	147,111.91
	Department of Health		
	Main Office:		
Feb. 24, 1965	Salaries.....	46,000.00	33,312.72
June 3, 1964	Medical and other research: services and expenses as authorized by the Minister.....	55,000.00	47,131.65
	Dental Services Branch:		
Jan. 14, 1965	Travelling expenses.....	600.00	169.80

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Health—Continued		
Sept. 9, 1964	Nursing Branch:		
Mar. 24, 1965	Salaries.....	16,000.00	15,580.11
	Costs and expenses of training Certified Nursing Assistants.....	20,000.00	5,592.38
	Mental Health Branch:		
Mar. 10, 1965	General Expenses:		
	Workmen's Compensation Board—awards and costs for Mental Health Branch.....	60,000.00	35,376.42
Feb. 3, 1965	Printing and stationery.....	8,000.00	6,046.53
	Ontario Hospitals:		
Mar. 24, 1965	Salaries.....	200,000.00	175,146.06
Feb. 16, 1965	Hospital Services Commission of Ontario:		
	Provision for payment to the Hospital Services Commission of Ontario in reimbursement for expenditures relating to hospital care provided for indigent immigrants.....	7,000.00	6,953.59
		412,600.00	325,309.26
	Department of Highways		
April 15, 1965	Main Office:		
	Salaries.....	10,000.00	8,161.34
	Maintenance—King's Highways and Other Roads:		
	Winter Maintenance: King's Highways and Secondary Highways (The Highway Improvement Act, Secs. 22, 33, 41, 42, 44 and 108)		
Mar. 10, 1965	Order.....	\$2,500,000.00	
April 15, 1965	Order.....	1,500,000.00	
		4,000,000.00	3,923,555.37
		4,010,000.00	3,931,716.71
	Department of Labour		
April 7, 1965	Main Office:		
April 7, 1965	Salaries.....	7,000.00	2,166.81
April 7, 1965	Travelling expenses.....	3,500.00	3,118.97
April 7, 1965	Maintenance.....	37,000.00	36,736.68
Oct. 19, 1964	Advertising, Investigations, Conferences.....	90,000.00	71,449.05
April 7, 1965	Workmen's Compensation Board—awards and costs.....	1,000.00	492.67
April 7, 1965	Apprenticeship Branch:		
	Maintenance.....	20,000.00	20,000.00
	Conciliation Services:		
April 15, 1965	Travelling expenses.....	2,500.00	1,535.18
Feb. 3, 1965	Maintenance.....	2,000.00	2,000.00
April 7, 1965	Conciliation Boards.....	25,000.00	24,854.13
	Safety and Technical Services:		
April 7, 1965	Salaries.....	40,000.00	39,866.87
April 7, 1965	Travelling expenses.....	15,000.00	9,631.48
April 7, 1965	Maintenance.....	30,000.00	30,000.00
	Human Rights Commission:		
April 7, 1965	Salaries.....	2,500.00	2,098.39
April 7, 1965	Travelling expenses.....	1,000.00	299.78
		276,500.00	244,250.01

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Lands and Forests		
	Main Office:		
	Salaries:		
Feb. 16, 1965	Order.....	\$ 58,000.00	
Mar. 17, 1965	Order.....	16,000.00	
		74,000.00	73,045.06
April 5, 1965	Annuities and bonuses to Indians.....	1,500.00	1,328.00
	Fish and Wildlife Branch:		
	Salaries:		
Feb. 16, 1965	Order.....	\$ 15,000.00	
Mar. 17, 1965	Order.....	7,500.00	
		22,500.00	17,542.92
April 5, 1965	Payments of Wolf Bounty.....	10,000.00	9,997.00
	Lands and Surveys Branch:		
	Salaries.....	20,000.00	5,392.25
Nov. 18, 1964	Cadastral surveys.....	71,600.00	7,303.31
	Parks Branch:		
	Salaries:		
Feb. 16, 1965	Order.....	\$ 2,000.00	
Mar. 17, 1965	Order.....	3,500.00	
		5,500.00	4,819.84
Mar. 17, 1965	Parks Improvements: Construction of buildings, development of camp-sites and picnic areas, and other improvements.....	500,000.00	440,022.88
	Research Branch:		
	Salaries:		
Feb. 16, 1965	Order.....	\$ 36,000.00	
Mar. 17, 1965	Order.....	8,000.00	
		44,000.00	43,436.34
April 15, 1965	Grant to Ontario Research Foundation.....	1,000.00	803.94
	Timber Branch:		
Feb. 16, 1965	Salaries.....	26,000.00	23,956.79
	Basic Organization—Field Services:		
Feb. 16, 1965	Salaries.....	836,000.00	650,506.18
	Extra Fire Fighting:		
Sept. 30, 1964	Wages, expenses, maintenance and operating.....	150,000.00	148,586.61
		1,762,100.00	1,426,741.12
	Department of Mines		
	Main Office:		
	Salaries:		
Mar. 24, 1965	Order.....	\$ 6,500.00	
April 7, 1965	Order.....	500.00	
		7,000.00	6,616.83
April 15, 1965	Maintenance.....	4,000.00	3,049.10
Feb. 24, 1965	Fees, salaries and expenses—legal, professional and miscellaneous services.....	500.00	277.69
	Geological Branch:		
Mar. 24, 1965	Salaries.....	5,000.00	4,660.40
	Mines Inspection Branch:		
Mar. 24, 1965	Salaries.....	18,500.00	17,896.19
Feb. 3, 1965	Travelling expenses.....	9,000.00	6,148.30
	Laboratories Branch:		
Mar. 24, 1965	Salaries.....	7,000.00	6,200.56

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Mines—Continued		
	Mining Lands Branch:		
Feb. 17, 1965	Salaries.....	37,500.00	35,021.87
Sept. 9, 1964	Travelling expenses.....	14,000.00	5,278.58
	Maintenance:		
Sept. 9, 1964	Order..... \$ 26,000.00		
Jan. 13, 1965	Order..... 16,000.00		
		42,000.00	36,832.29
		144,500.00	121,981.81
	Department of Municipal Affairs		
	Main Office and Branches:		
Jan. 5, 1965	Commissions and investigations.....	45,000.00	16,683.41
Mar. 10, 1965	Payments in lieu of certain municipal taxes.....	300,000.00	122,039.19
Oct. 14, 1964	Redevelopment grants in aid of acquisition and clearance of redevelopment areas as may be approved by the Lieutenant Governor in Council	1,000,000.00	537,799.63
	Ontario Municipal Board:		
Feb. 24, 1965	Salaries.....	18,000.00	14,495.86
Mar. 10, 1965	Maintenance.....	7,000.00	3,375.96
		1,370,000.00	694,394.05
	Department of Prime Minister		
	Main Office:		
Feb. 16, 1965	Salaries.....	6,000.00	3,410.41
Mar. 3, 1965	Travelling expenses.....	4,000.00	3,777.01
	Cabinet Office:		
Feb. 16, 1965	Salaries.....	8,000.00	7,554.31
		18,000.00	14,741.73
	Department of Provincial Secretary and Citizenship		
	Main Office and General Departmental Expenses:		
Mar. 29, 1965	Salaries.....	28,000.00	27,936.41
Mar. 29, 1965	Maintenance.....	28,500.00	28,225.42
Mar. 10, 1965	Workmen's Compensation Board—awards and costs.....	1,500.00	1,492.31
Mar. 24, 1965	Government Hospitality Fund.....	13,000.00	10,098.41
	Office of the Speaker:		
Feb. 24, 1965	Salaries.....	10,000.00	9,048.39
	Legislative Library:		
Feb. 24, 1965	Maintenance.....	6,000.00	5,993.38
	Clerk of the Legislative Assembly and Chief Election Officer:		
	Salaries:		
Mar. 10, 1965	Order..... \$ 10,000.00		
April 15, 1965	Order..... 1,000.00		
		11,000.00	10,632.48

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Provincial Secretary and Citizenship—Continued		
Mar. 10, 1965	Queen's Printer: Salaries.....	10,000.00	9,960.71
Sept. 30, 1964	Maintenance: Order.....\$ 5,500.00		
Mar. 24, 1965	Order.....2,000.00	7,500.00	7,443.76
Mar. 10, 1965	Ontario Gazette.....	12,000.00	11,998.74
	Registrar General's Branch: Salaries: Order.....\$ 27,000.00		
Mar. 10, 1965	Order.....2,000.00	29,000.00	28,157.00
Mar. 29, 1965			
April 7, 1965	Sessional Requirements: Indemnities and Allowances to Members, including mileage.....	522,000.00	514,003.08
Sept. 30, 1964	Committee Fees, etc.: Order.....\$ 25,000.00		
Oct. 29, 1964	Order.....35,000.00		
Dec. 7, 1964	Order.....35,000.00		
Jan. 25, 1965	Order.....35,000.00		
Feb. 24, 1965	Order.....30,000.00	160,000.00	159,750.81
Oct. 29, 1964	Grant and Expenses in connection with Commonwealth Parliamentary Association.....	500.00	500.00
Mar. 10, 1965	Post Office: Postage and Maintenance.....	100,000.00	88,339.78
		939,000.00	913,580.68
	Department of Public Welfare		
	Main Office: Salaries: Order.....\$ 6,100.00		
Feb. 16, 1965	Order.....1,000.00	7,100.00	6,125.81
Mar. 10, 1965			
Feb. 16, 1965	Day Nurseries Branch: Salaries.....	1,600.00	1,465.76
Mar. 10, 1965	Day Nurseries—contributions for operation and maintenance, etc.....	55,000.00	38,180.79
Feb. 16, 1965	Field Services Branch: Salaries.....	38,000.00	25,652.47
Feb. 24, 1965	General Welfare Assistance Branch: Homemakers and Nurses Services: Subsidies on Homemakers and Nurses Services, etc.....	21,000.00	8,143.61
Jan. 14, 1965	Homes for the Aged Branch: Salaries.....	20,600.00	19,259.70
Dec. 9, 1964	Travelling expenses.....	7,000.00	4,367.44
Dec. 9, 1964	Rehabilitation Services Branch: Salaries.....	37,000.00	8,634.73
Jan. 25, 1965	Rehabilitation Services.....	111,000.00	84,511.19

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Public Welfare—Continued				
	Welfare Allowances Branch:				
Feb. 16, 1965	Dental Services—Children under The Mothers' Allowances Act, etc.....	7,000.00		5,622.30	
Feb. 16, 1965	Medical Services—Beneficiaries under The Mothers' Allowances Act, etc.....	6,000.00		2,308.75	
Feb. 16, 1965	Allowances in accordance with The Mothers' Allowances Act, etc.....	812,000.00		770,027.67	
Feb. 16, 1965	Allowances in accordance with The Blind Persons' Allowances Act, etc.....	5,000.00		1,440.39	
		1,128,300.00		975,740.61	
	Department of Public Works				
	Main Office:				
Mar. 10, 1965	Salaries.....	25,000.00		24,258.09	
Mar. 24, 1965	Maintenance.....	22,000.00		21,998.21	
Mar. 31, 1965	Insurance.....	1,500.00		1,441.66	
Mar. 3, 1965	Workmen's Compensation Board—awards and costs.....	28,000.00		23,527.31	
	Ontario Government Buildings:				
	Maintenance, Services, Repairs:				
Mar. 24, 1965	Salaries—Maintenance Staff.....	185,000.00		129,462.00	
April 5, 1965	Communication services.....	75,000.00		44,462.70	
April 15, 1965	Furniture, furnishings and equipment, repairs and replacements.....	17,000.00		16,728.22	
Mar. 31, 1965	Repairs, alterations and incidentals.....	300,000.00		274,386.22	
	Leased Premises:				
Jan. 25, 1965	Rentals and expenses in connection therewith....	800,000.00		672,083.83	
		1,453,500.00		1,208,348.24	
	Department of Reform Institutions				
	Main Office:				
Jan. 25, 1965	Travelling expenses.....	25,000.00		13,023.67	
Feb. 24, 1965	Maintenance.....	15,000.00		14,996.28	
Mar. 17, 1965	Advisory Committees—allowances and expenses..	2,000.00		1,371.63	
	Parole and Rehabilitation Service:				
Jan. 25, 1965	Salaries.....	10,000.00		9,951.53	
		52,000.00		39,343.11	
	Department of Tourism and Information				
	Main Office:				
Feb. 16, 1965	Salaries.....	8,000.00		6,083.36	
Feb. 16, 1965	Travelling expenses.....	4,000.00		3,466.85	
Oct. 22, 1964	Maintenance.....	10,000.00		9,922.35	
	Administrative Branch:				
Feb. 16, 1965	Salaries.....	13,000.00		11,830.54	

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Tourism and Information —Continued		
	Publicity Branch:		
Feb. 16, 1965	Salaries.....	6,000.00	3,581.90
Nov. 18, 1964	Travelling expenses.....	5,000.00	4,958.60
Jan. 5, 1965	Purchase of photographic supplies, motion pictures and equipment.....	8,500.00	6,955.51
Mar. 29, 1965	Ontario tours of editors, writers and photographers and special promotion.....	7,000.00	6,699.23
	Tourist Promotion and Information Branch: Operation of Official Reception Centres and other information services, etc.:		
Oct. 22, 1964	Order.....\$ 7,000.00		
Dec. 10, 1964	Order.....2,500.00		
Feb. 3, 1965	Order.....6,000.00		
Feb. 16, 1965	Order.....9,000.00		
		24,500.00	24,482.94
	Tourist Industry Development Branch:		
Feb. 16, 1965	Maintenance.....	3,000.00	2,973.33
	Division of Archives:		
Jan. 5, 1965	Maintenance.....	3,000.00	2,848.55
	Travel Research Branch:		
Feb. 16, 1965	Maintenance.....	10,000.00	9,214.70
	The St. Lawrence Parks Commission:		
Nov. 18, 1964	Construction and Development.....	50,000.00	48,127.42
April 15, 1965	Land Acquisition.....	70,000.00	65,849.47
		222,000.00	206,994.75
	Department of Transport		
	Main Office:		
Feb. 16, 1965	Maintenance.....	7,000.00	4,739.74
	Ontario Highway Transport Board:		
Mar. 17, 1965	Salaries.....	10,000.00	8,461.79
	Motor Vehicles Administration:		
Mar. 24, 1965	Salaries.....	185,000.00	153,108.74
	Maintenance:		
April 7, 1965	Order.....\$120,000.00		
April 15, 1965	Order.....35,000.00		
		155,000.00	132,721.91
Mar. 3, 1965	Registration plates and supplies.....	50,000.00	28,677.53
		407,000.00	327,709.71

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Treasury Department		
	General Administration:		
Feb. 24, 1965	Salaries.....	39,000.00	31,016.53
April 15, 1965	Maintenance.....	5,000.00	4,997.91
Mar. 31, 1965	Premium on Fidelity Bonds.....	4,000.00	3,941.65
Jan. 13, 1965	Expenses for special studies, etc.....	157,000.00	102,635.42
Feb. 16, 1965	Grants: Canadian Standard Bred Horse Society..	21,000.00	20,780.59
Jan. 13, 1965	Canadian Thoroughbred Horse Society..	3,600.00	3,519.11
	Accounts Division:		
Mar. 24, 1965	Maintenance.....	15,000.00	8,937.52
	Revenue Division:		
April 15, 1965	Maintenance.....	8,000.00	7,862.77
	Ontario Racing Commission:		
Nov. 18, 1964	Services and expenses of officials at race tracks...	20,000.00	16,609.11
	Pension Commission of Ontario:		
	Maintenance:		
April 15, 1965	Order.....\$ 6,000.00		
April 28, 1965	Order.....3,500.00		
		9,500.00	9,111.53
		282,100.00	209,412.14
	Total Ordinary Treasury Board Orders.....	37,150,100.00	31,926,319.92

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	CAPITAL		
	Department of Highways		
April 15, 1965	Construction and Other Capital Projects: Municipal Subsidies (The Highway Improvement Act, Sections 51, 55, 59, 60, 61, 67, 70, 71, 75, 78, 79, 80, 83, 91a, The Municipality of Metropolitan Toronto Act, Section 78, and The Municipal Subsidies Adjustment Act, Section 1).....	2,000,000.00	1,896,540.32
	Department of Public Welfare		
Jan. 25, 1965	Rehabilitation Services Branch: Rehabilitation Services.....	111,000.00	84,511.14
Feb. 16, 1965	Welfare Allowances Branch: Allowances in accordance with The Blind Persons' Allowances Act, etc.....	22,000.00	15,496.00
Feb. 16, 1965	Allowances in accordance with The Disabled Persons' Allowances Act, etc.....	34,000.00	17,050.15
		167,000.00	117,057.29
	Department of Public Works		
April 5, 1965	Public Buildings: To provide for the construction of new buildings and works, etc.....	2,000,000.00	1,154,560.02
	Total Capital Treasury Board Orders.....	4,167,000.00	3,168,157.63
	Total Treasury Board Orders.....	41,317,100.00	35,094,477.55

*Indicates funds used for temporary financing during the fiscal year.

SPECIAL WARRANTS

STATEMENT OF SPECIAL WARRANTS ISSUED DURING THE FISCAL YEAR ENDED MARCH 31, 1965

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	ORDINARY		
	Department of Attorney General		
June 11, 1964	Correcting survey and title problems in the Township of Vaughan, in the County of York.....	2,000.00	2,000.00
	Department of Economics and Development		
July 9, 1964	Preparation and design for participation by the Province of Ontario in the Canadian Universal and International Exhibition of 1967.....	325,000.00	288,372.35
Dec. 10, 1964	Financing the operating expenses and subsidies in rental housing projects and including approved grants to Housing Companies and for research studies.....	1,480,000.00	789,089.45
		1,805,000.00	1,077,461.80
	Department of Education		
June 18, 1964	Co-operating with the Government of Canada's Centennial Programme by participating in the 1964 Pilot Youth Travel Programme of the Centennial Commission of the Federal Government.....	16,000.00	9,332.85
July 23, 1964	Establishment of a new organizational unit within the Department of Education, Policy and Development Council which will be responsible for broad planning functions in the field of education.....	60,000.00	19,418.17
July 23, 1964	Expenses of a Committee on the "Training of Elementary School Teachers".....	20,000.00	19,937.99
		96,000.00	48,689.01
	Department of Health		
May 28, 1964	Special grant to the Ontario Home for Mentally Retarded Infants, Incorporated, Plainfield, Ontario, to assist this Institution to meet outstanding debt on a recently completed building.....	62,000.00	62,000.00
Oct. 1, 1964	Special grant to the Ontario Society for Crippled Children, Toronto, Ontario, to enable the Society to assist in providing treatment for Cystic Fibrotic Children.....	250,000.00	189,903.62
		312,000.00	251,903.62

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Public Welfare		
Sept. 3, 1964	Canadian Indian Centre of Toronto, for the purpose of assisting the said organization in furthering its work with Indian individuals and families who have taken up residence in The Municipality of Metropolitan Toronto.....	4,000.00	4,000.00
Sept. 3, 1964	Central Neighbourhood House, Toronto, for the purpose of assisting the said organization in its work with Indian individuals and families who have taken up residence in The Municipality of Metropolitan Toronto.....	2,500.00	2,500.00
		6,500.00	6,500.00
	Department of Reform Institutions		
July 9, 1964	Assisting in the cost of construction of buildings at the St. Joseph's Training School for Boys, Alfred ..	200,000.00	200,000.00
	Department of Tourism and Information		
	Setting up the administrative staff of the Centennial Commission, who will administer the construction and operation of The Provincial Centennial Project—Administrative costs, purchase, insurance, storage charges on transportation equipment, artifacts and display material to be placed in the Centre of Science and Technology:		
June 25, 1964	Warrant.....	\$100,000.00	
June 14, 1965	Warrant.....	250,000.00	
		350,000.00	349,998.13
	Treasury Department		
	Expenses of The Royal Commission of Inquiry into Civil Rights:		
July 16, 1964	Warrant.....	\$ 50,000.00	
June 14, 1965	Warrant.....	50,000.00	
		100,000.00	74,776.34
	Expenses of The Royal Commission of Inquiry into the Affairs of Windfall Oils and Mines Limited:		
Sept. 17, 1964	Warrant.....	\$ 25,000.00	
June 14, 1965	Warrant.....	100,000.00	
		125,000.00	111,569.97
		225,000.00	186,346.31
	Department of University Affairs		
June 19, 1965	Canadian University Service Overseas.....	10,000.00	10,000.00
	Total Ordinary Special Warrants.....	3,006,500.00	2,132,898.87

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	CAPITAL		
	Department of Economics and Development		
Dec. 10, 1964	Financing the capital program of the Ontario Housing Corporation.....	1,170,000.00	500,000.00
	Total Special Warrants.....	4,176,500.00	2,632,898.87

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PROVINCIAL AUDITOR'S REPORT

(1965-66)

(PROVINCE OF ONTARIO)

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



ONTARIO



TORONTO

PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER
1966

PROVINCIAL AUDITOR'S REPORT

1965-66

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO
SESSIONAL PAPER No. 3, 1967



ONTARIO

TORONTO

PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER

1966

TO THE HONOURABLE W. EARL ROWE, P.C.(C.), LL.D., D.Sc.Soc.,
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

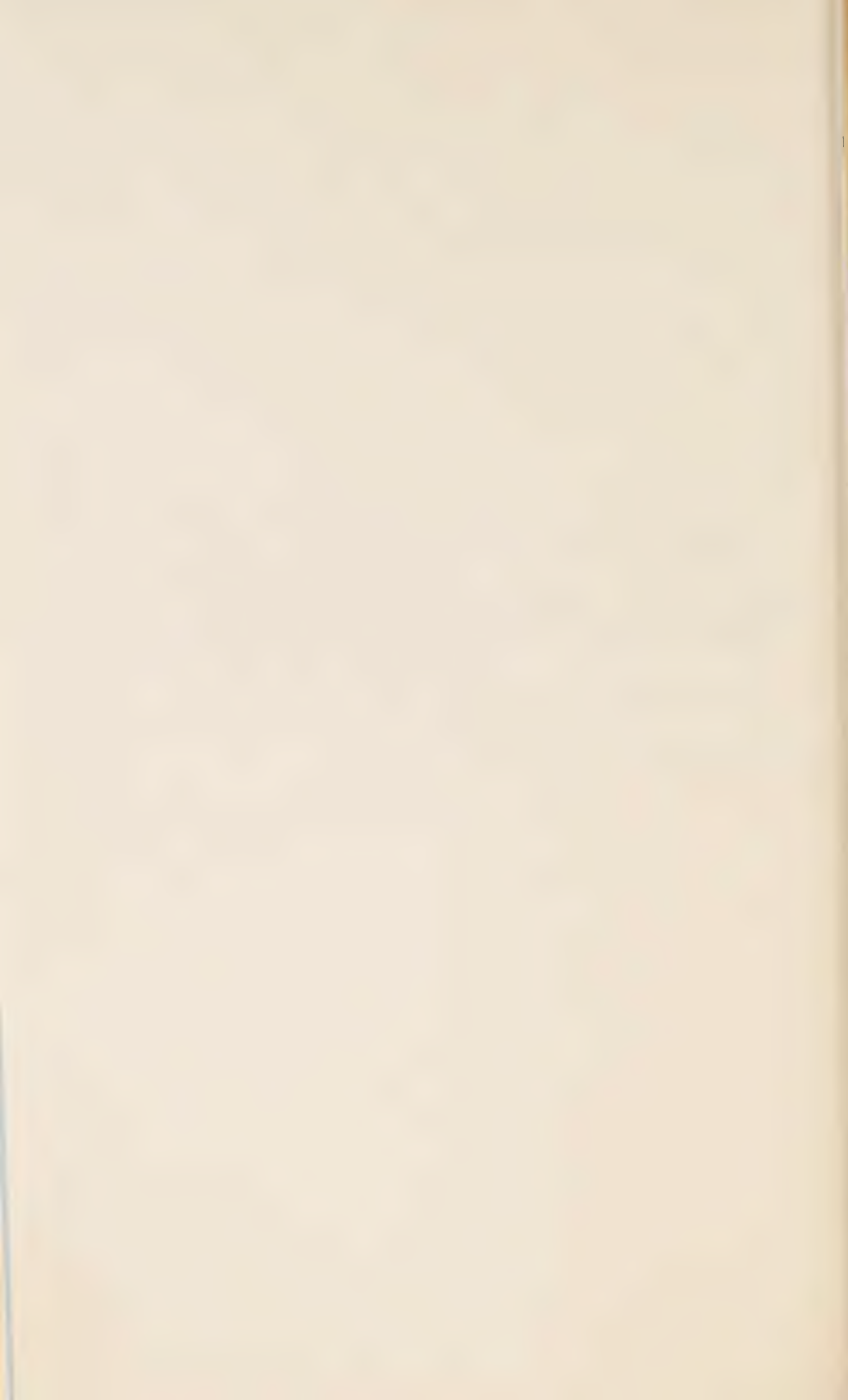
The undersigned has the honour to present to Your Honour the following report for the fiscal year ended March 31st, 1966, in accordance with the requirements of The Audit Act.

Respectfully submitted,

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Provincial Auditor's Office,
Toronto, November 25, 1966.

REPORT OF THE PROVINCIAL AUDITOR TO THE
LEGISLATIVE ASSEMBLY OF ONTARIO FOR THE
FISCAL YEAR ENDED MARCH 31st, 1966, IN
ACCORDANCE WITH THE REQUIREMENTS OF
THE AUDIT ACT.



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REPORT OF THE PROVINCIAL AUDITOR

1965 - 1966

I have the honour to report to the Legislative Assembly on the examination and audit of the accounts of the Province of Ontario for the fiscal year ended March 31, 1966, in accordance with the requirements of section 20 of The Audit Act.

I have examined the Balance Sheet of the Province of Ontario as at March 31, 1966, the Statements of Revenue and Expenditure for the year ended on that date and other related statements, and have compared them with the books of account and financial records. I have obtained all the information and explanations I have required.

Subject to the qualifications in this report, in my opinion and according to the best of my information and the explanations given to me and as shown by the books of the Province, the Balance Sheet, Statements of Revenue and Expenditure and other related statements are properly drawn up in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year so as to present fairly the financial position of the Province as at March 31, 1966, and the results of its operations for the year then ended.

BASIS OF ACCOUNTING

There are two accepted bases or systems of accounting. In the "cash" basis, revenue is taken into account in the period in which it is received, and expenditures are accounted for when the actual payments are made. In the "accrual" basis, revenues are accounted for when earned or due, even though not collected, and expenditures are accounted for when the liabilities are incurred, whether payment is made in the accounting period or not.

Government accounting systems are generally based on a "cash" basis of reporting since departmental expenditures are regulated by the Estimates on a "cash" basis submitted to and approved by the Legislature.

The accounts of the Province of Ontario have been kept on a "cash" basis as in previous years. The Balance Sheet has been prepared so as to present the financial position of the Province at March 31, 1966 on a modified accrual basis with the adjustments necessary to give effect thereto being made through Surplus Account.

OPERATIONS FOR 1965-66

On February 10, 1965 the Treasurer of Ontario, the Honourable James N. Allan, in his address to the Legislative Assembly of Ontario presented his budget forecasts for the fiscal year ended March 31, 1966. In his address to the Legislative Assembly of Ontario on February 9, 1966 he presented interim statements for the same fiscal year showing eight months' actual results and four months' forecast.

The following statements compare the budget forecasts, after including Supplementary Estimates, with the actual results for the year ended March 31, 1966. Comparative summaries of the interim statements (eight months' actual plus four months' forecast) and the actual results for the year ended March 31, 1966, are appended to this report together with certain other statements and charts as detailed on page 39. Figures referred to in various parts of this report may vary by one dollar due to rounding amounts to the nearest dollar.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL ORDINARY REVENUE
FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966**

DEPARTMENT	BUDGET ORDINARY REVENUE	NET ACTUAL ORDINARY REVENUE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture.....	\$ 989,000	\$ 1,271,886	\$ 282,886	\$
Attorney General.....	13,403,000	13,804,340	401,340	
Economics and Development.....	2,000	44,903	42,903	
Education.....	3,862,000	8,590,209	4,728,209	
Energy and Resources Management	282,000	267,474		14,526
Health.....	3,000,000	4,731,433	1,731,433	
Highways.....	3,058,000	3,254,470	196,470	
Labour.....	1,632,000	1,786,820	154,820	
Lands and Forests.....	24,400,000	25,513,416	1,113,416	
Mines.....	12,772,000	16,473,864	3,701,864	
Municipal Affairs.....	707,000	595,631		111,369
Prime Minister.....		42	42	
Provincial Secretary and Citizenship	2,916,000	3,444,205	528,205	
Public Welfare.....	20,000	54,171	34,171	
Public Works.....	1,284,000	1,363,387	79,387	
Reform Institutions.....	858,000	881,971	23,971	
Tourism and Information.....	1,160,000	1,327,937	167,937	
Transport.....	88,000,000	96,127,979	8,127,979	
University Affairs.....		48,946	48,946	
Treasury:				
Main Office—Subsidies.....	4,624,000	4,624,070	70	
Interest.....	72,000	72,633	633	
Miscellaneous.....		18,058	18,058	
Ontario Racing Commission.....	140,000	156,387	16,387	
Liquor Control Board of Ontario..	114,000,000	125,200,000	11,200,000	
Public Utilities Tax.....	1,000,000	1,321,361	321,361	
Water Power Rentals.....	5,500,000	6,647,050	1,147,050	
Pension Commission of Ontario ..		11,837	11,837	
Revenue Division—				
Tobacco Tax.....		2,001,746	2,001,746	
Income Tax Collection Agree- ment.....	254,418,000	292,403,842	37,955,842	
Federal Payment re share of Estate Tax.....	15,316,000	16,837,500	1,521,500	
Corporations Tax.....	244,000,000	252,375,741	8,375,741	
Succession Duty.....	46,000,000	56,968,088	10,968,088	
Retail Sales Tax.....	207,000,000	220,998,196	13,998,196	
Gasoline Tax.....	227,000,000	236,829,198	9,829,198	
Motor Vehicle Fuel Tax, etc... Hospitals Tax, etc.....	12,800,000	14,679,421	1,879,421	
Security Transfer Tax.....	5,500,000	6,792,378	1,292,378	
Race Tracks Tax.....	3,200,000	4,199,648	999,648	
Land Transfer Tax.....	10,000,000	12,161,834	2,161,834	
Logging Tax.....	5,000,000	6,705,592	1,705,592	
Miscellaneous.....	3,000,000	2,257,381		742,619
		114	114	
Total for Treasury.....	\$1,158,600,000	\$1,263,262,075	\$105,404,694	\$742,619
	\$1,316,945,000	\$1,442,845,159	\$126,768,673	\$868,514

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL ORDINARY EXPENDITURE
FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966**

DEPARTMENT	BUDGET*	NET ACTUAL	ACTUAL TO BUDGET	
	ORDINARY EXPENDITURE	ORDINARY EXPENDITURE	INCREASE	DECREASE
Agriculture.....	\$ 21,503,000	\$ 24,698,984	\$ 3,195,984	\$
Attorney General.....	38,132,000	39,423,550	1,291,550	
Civil Service.....	1,209,000	1,189,327		19,673
Economics and Development.....	9,567,000	7,957,947		1,609,053
Education.....	444,922,000	443,520,605		1,401,395
Energy and Resources Management	7,938,600	7,609,402		329,198
Health.....	166,288,000	164,044,765		2,243,235
Highways.....	92,141,000	97,567,588	5,426,588	
Labour.....	6,658,000	6,885,544	227,544	
Lands and Forests.....	29,400,000	28,528,699		871,301
Lieutenant Governor.....	33,000	47,444	14,444	
Mines.....	2,632,000	2,535,579		96,421
Municipal Affairs.....	48,145,000	46,796,637		1,348,363
Prime Minister.....	253,000	235,758		17,242
Provincial Auditor.....	568,000	548,261		19,739
Provincial Secretary and Citizenship	4,580,000	5,670,720	1,090,720	
Public Welfare.....	84,353,000	84,842,799	489,799	
Public Works.....	13,619,000	14,944,610	1,325,610	
Reform Institutions.....	18,394,000	19,498,604	1,104,604	
Tourism and Information.....	5,950,000	6,137,806	187,806	
Transport.....	7,840,000	8,005,261	165,261	
Treasury.....	29,055,000	29,776,330	721,330	
University Affairs.....	63,655,000	69,583,545	5,928,545	
Stationery Account.....		24,945	24,945	
	<u>\$1,096,835,600</u>	<u>\$1,110,074,710</u>	<u>\$ 21,194,730</u>	<u>\$ 7,955,620</u>
Public Debt:				
Interest, etc.....	71,484,000	63,174,702		8,309,298
Provision for Sinking Fund.....	41,500,000	41,500,000		
Total Budget.....	<u>\$1,209,819,600</u>	<u>\$1,214,749,412</u>	<u>\$ 21,194,730</u>	<u>\$16,264,918</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	112,000,000	227,000,000	115,000,000	
	<u>\$1,321,819,600</u>	<u>\$1,441,749,412</u>	<u>\$136,194,730</u>	<u>\$16,264,918</u>

**COMPARATIVE SUMMARY
BUDGET AND ACTUAL ORDINARY REVENUE AND ORDINARY EXPENDITURE
FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966**

	BUDGET*	ACTUAL	ACTUAL TO BUDGET
Net Ordinary Revenue.....	<u>\$1,316,945,000</u>	<u>\$1,442,845,159</u>	<u>\$125,900,159</u>
Less: Net Ordinary Expenditure (before items below).....	<u>\$1,168,319,600</u>	<u>\$1,173,249,412</u>	<u>\$ 4,929,812</u>
Provision for Sinking Fund.....	41,500,000	41,500,000	
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	112,000,000	227,000,000	115,000,000
Net Ordinary Expenditure.....	<u>\$1,321,819,600</u>	<u>\$1,441,749,412</u>	<u>\$119,929,812</u>
Surplus.....	<u>\$ 4,874,600</u>	<u>\$ 1,095,747</u>	<u>\$ 5,970,347</u>

*Includes Supplementary Estimates.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL CAPITAL RECEIPTS
FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966**

DEPARTMENT	BUDGET CAPITAL RECEIPTS	NET ACTUAL CAPITAL RECEIPTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Education:				
Provincial Student-Aid Loans.....	\$ 1,200,000	\$ 1,273,283	\$ 73,283	\$
Energy and Resources Management:				
Abandoned Works Fund—Fees.....	1,000	3,498	2,498	
Contract Security Deposits.....		7,000	7,000	
Miscellaneous.....		112	112	
Health:				
Ontario Medical Services Insurance Plan.....		33,293	33,293	
Highways:				
Sale of Land and Buildings.....	540,000	247,424		292,576
Contract Security Deposits.....		124,362	124,362	
Miscellaneous.....		107,392	107,392	
Labour:				
Vacation-with-Pay Stamps.....	9,500,000	11,242,666	1,742,666	
Contract Security Deposits.....		300	300	
Lands and Forests:				
Sale of Land.....	600,000	495,852		104,148
Logging Roads.....	400,000	327,087		72,913
Mines:				
Sale of Mining Lands.....	3,000	3,129	129	
Deposits re Mining Tax under dispute.		1,125	1,125	
Municipal Affairs:				
The Municipal Works Assistance Act, Government of Canada—				
Forgiveness.....	18,500,000	10,325,447		8,174,553
Forgiveness—Prepayment.....		36,327	36,327	
Miscellaneous.....		90	90	
Public Welfare:				
Old Age Assistance, etc.....		44,096	44,096	
Public Works:				
Sale of Land and Buildings, etc.....		219,935	219,935	
Contract Security Deposits.....		27,065	27,065	
Sale of Material.....		165	165	
Tourism and Information:				
Contract Security Deposits.....		11,750	11,750	
Transport:				
Motor Vehicle Accident Claims Fund.	6,500,000	8,198,141	1,698,141	
Treasury:				
Appropriation from Ordinary Account—				
Provision for Sinking Fund.....	41,500,000	41,500,000		
Loans and Advances.....	7,156,000	10,488,789	3,332,789	
Special Funds—				
Public Service Superannuation Fund	47,591,000	44,772,417		2,818,583
Ontario Municipal Employees Retirement Fund.....	3,500,000	4,300,000	800,000	
Ontario Hospital Services Com- mission.....	9,500,000	12,000,000	2,500,000	
Other.....	620,000	949,438	329,438	
Discount and Exchange on Debentures.....	1,800,000	1,832,260	32,260	
Other.....		60,804	60,804	
	<u>\$148,911,000</u>	<u>\$148,633,247</u>	<u>\$11,185,020</u>	<u>\$11,462,773</u>

COMPARATIVE STATEMENT OF BUDGET AND ACTUAL CAPITAL DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966

DEPARTMENT	BUDGET CAPITAL DISBURSE- MENTS	NET ACTUAL CAPITAL DISBURSE- MENTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture:				
The Co-operative Loans Act—Loans.....	\$ 600,000	\$ 391,670	\$	\$ 208,330
Economics and Development:				
Ontario Housing Corporation.....	9,750,000	9,250,000		500,000
Education:				
Provincial Student-Aid Loans.....	100,000			100,000
Energy and Resources Management:				
Assistance for Rural Power Transmission Lines.....	1,056,000	578,976		477,024
Conservation Authorities—Grants.....	6,750,000	2,424,885		4,325,115
Ontario Water Resources Commission— Plant and Equipment.....	25,000,000	8,151,933		16,848,067
Water Management Program.....	1,500,000	523,276		976,724
The Hydro-Electric Power Commission of Ontario— Province's share of cost of construction and installation — Nuclear Powered Generating Station.....	1,800,000	1,799,786		214
Health:				
Loans—The Public Hospitals Act, Sec. 5a...	9,500,000	9,377,000		123,000
Highways:				
Highway Construction.....	121,346,000	121,250,364		95,636
Engineering and Services.....	22,671,000	22,670,059		941
Property Purchases.....	8,000,000	12,248,123	4,248,123	
Development and Other Roads.....	17,900,000	17,439,809		460,191
Municipal Subsidies.....	67,300,000	64,939,876		2,360,124
Commuter Rail Project.....		30,987	30,987	
Contingencies.....	35,000			35,000
Labour: Vacation-with-Pay Stamps.....	9,500,000	9,599,146	99,146	
Land and Forests:				
Access Roads—Summer Resort Subdivisions	100,000	17,014		82,986
Logging and Forest Access Roads.....	793,000	752,366		40,634
Acquisition of Land.....	2,500,000	1,614,388		885,612
Parks and Other Improvements.....	1,500,000	1,509,992	9,992	
Leases: Mining and Access Roads.....	1,000,000	1,408,151	408,151	
Municipal Affairs:				
Townsites—Investigation, Design, etc.....	797,000	20,888		776,112
Loans to Improvement Districts.....	760,000	500,000		260,000
Loans—The Municipal Works Assistance Act.....	53,000,000	30,415,798		22,584,202
Forgiveness Feature—The Municipal Works Assistance Act.....	23,000,000	10,316,866		12,683,134
Purchase of Debentures for Subway Pur- poses—The Municipality of Metropolitan Toronto.....	20,000,000	20,000,000		
Public Welfare: Old Age Assistance, etc.....		8,142	8,142	
Public Works:				
Purchase of Property and Construction of Buildings.....	43,000,000	34,845,077		8,154,923
Construction of Dams, Docks and Locks...	975,000	848,045		126,955
Transport:				
Motor Vehicle Accident Claims Fund.....	4,103,000	4,103,304	304	
Treasury:				
Title Drainage Debentures.....	1,600,000	1,777,942	177,942	
The Ontario Junior Farmer Establishment Loan Corporation—Advances.....	12,500,000	20,900,000	8,400,000	
Registry Offices Surplus Fees.....	300,000	493,259	193,259	
Public Service Superannuation Fund.....	13,270,000	16,896,451	3,626,451	
Public Service Retirement Fund.....	1,500,000	1,406,201		93,799

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL CAPITAL DISBURSEMENT
FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966 (Continued)**

DEPARTMENT	BUDGET CAPITAL DISBURSE- MENTS	NET ACTUAL CAPITAL DISBURSE- MENTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Treasury: (Continued)				
Legislative Assembly Retirement Allowances Account.....	\$ 75,000	\$ 68,069		\$ 6,931
Queen Elizabeth II Ontario Scholarship Fund	30,000	24,303		5,697
Refunds of Capital Receipts, prior years.....	200,000	7,029,965	\$ 6,829,965	
The Ontario Universities Capital Aid Corporation—Advances.....	100,000,000	89,239,300		10,760,700
Government of Canada Repayment under Tax Rental Agreement, 1952-56.....		293,973	293,973	
The Hydro-Electric Power Commission of Ontario—Advances.....		48,842,500	48,842,500	
The Ontario Municipal Improvement Corporation—Advances.....		3,000,000	3,000,000	
Other.....		39,111	39,111	
	<u>\$583,811,000</u>	<u>\$577,046,995</u>	<u>\$76,208,046</u>	<u>\$82,972,000</u>
Less: Financed out of Ordinary Revenue.....	112,000,000	227,000,000	115,000,000	
	<u>\$471,811,000</u>	<u>\$350,046,995</u>	<u>\$38,791,954</u>	<u>\$82,972,000</u>

The estimated gross expenditure for the year as shown on page 5 of the 1966 Estimates was \$1,870,974,000. In addition to this amount Supplementary Estimates of \$5,436,600 were voted by the Legislature in March 1966. Including the Supplementary Estimates, the total estimates for the year were \$1,876,410,600. The related actual gross expenditure of \$1,884,918,847 exceeded the total estimates by \$8,508,247.

In the Budget Statement presented by the Treasurer of Ontario on February 10, 1965 it was estimated that capital disbursements of \$112,000,000 would be financed from Ordinary Revenue. The actual net revenue for the fiscal year ended March 31, 1966 permitted \$227,000,000 to be applied to Capital Disbursements, an increase of \$115,000,000 over the forecast amount.

The following analysis summarizes the increase in gross actual expenditure over total estimated gross expenditure.

**ANALYSIS OF GROSS EXPENDITURE
FOR THE FISCAL YEAR ENDED MARCH 31, 1966**

CLASSIFICATION	TOTAL ESTIMATES	GROSS ACTUAL	GROSS ACTUAL OVER ESTIMATES	GROSS ACTUAL UNDER ESTIMATES
Ordinary—				
Voted—				
Main Estimates.....	\$1,078,644,000			
Supplementary Estimates..	5,436,600			
	<u>\$1,084,080,600</u>	<u>\$1,083,023,652</u>		<u>\$ 1,056,948</u>
Statutory.....	187,320,000	192,350,734	\$ 5,030,734	
Special Warrants.....		12,733,461	12,733,461	
Capital Disbursements financed out of Ordinary Revenue..	112,000,000	227,000,000	115,000,000	
	<u>\$1,383,400,600</u>	<u>\$1,515,107,847</u>	<u>\$132,764,195</u>	<u>\$ 1,056,948</u>
Capital—				
Voted—				
Main Estimates.....	\$ 374,376,000	\$ 341,353,996		\$33,022,004
Statutory.....	230,634,000	255,457,004	\$ 24,823,004	
	<u>\$ 605,010,000</u>	<u>\$ 596,811,000</u>	<u>\$ 24,823,004</u>	<u>\$33,022,004</u>
Deduct—				
Capital Disbursements financed out of Ordinary Revenue.....	112,000,000	227,000,000	115,000,000	
	<u>\$ 493,010,000</u>	<u>\$ 369,811,000</u>	<u>\$ 90,176,996</u>	<u>\$33,022,004</u>
	<u>\$1,876,410,600</u>	<u>\$1,884,918,847</u>	<u>\$ 42,587,199</u>	<u>\$34,078,952</u>

**Summary of Net Increases or Decreases in Gross Actual as compared
with Total Estimates of Gross Expenditures**

CLASSIFICATION	INCREASE	DECREASE
Voted.....		\$34,078,952
Statutory.....	\$29,853,738	
Special Warrants.....	12,733,461	
	<u>\$42,587,199</u>	<u>\$34,078,952</u>

The net increases or decreases in gross actual as compared with total estimates of gross expenditure under the classification of voted, statutory and special warrants are commented on as follows:

VOTED

Expenditure appropriations and gross actual expenditures are summarized as follows:

	EXPENDITURE APPROPRIATIONS AUTHORIZED BY THE LEGISLATIVE ASSEMBLY	GROSS ACTUAL EXPENDITURES	EXCESS OF AUTHORIZED OVER GROSS ACTUAL EXPENDITURES
Ordinary Account.....	\$1,084,080,600	\$1,083,023,652	\$ 1,056,948
Capital Account.....	374,376,000	341,353,996	33,022,004
	<u>\$1,458,456,600</u>	<u>\$1,424,377,648</u>	<u>\$34,078,952</u>

The principal under-expenditures in this amount relate to construction of projects by the Ontario Water Resources Commission \$16,848,067, construction of new buildings \$8,154,923, General Welfare Assistance and Old Age Assistance \$5,790,509, grants to public hospitals \$4,543,079, general legislative grants—secondary schools \$4,375,397, and the Province's share of the costs of land development, engineering, and flood control programmes of the Conservation Authorities \$4,325,115. The main over-expenditures were: Federal-Provincial agreements—education \$5,898,424, winter maintenance—highways \$4,681,609, and property purchases by the Department of Highways \$4,248,123.

In all cases where the actual expenditure exceeded the original appropriation, the necessary authority was obtained by treasury board order before the accounts were approved for payment.

Treasury board orders and expenditures relating thereto are summarized as follows:

	TOTAL TREASURY BOARD ORDERS AUTHORIZED	ACTUAL EXPENDITURES RE TREASURY BOARD ORDERS	TREASURY BOARD ORDERS EXCEED ACTUAL EXPENDITURES
Ordinary Account . .	\$49,668,632	\$41,561,165	\$ 8,107,467
Capital Account . . .	7,512,000	4,765,412	2,746,588
	<u>\$57,180,632</u>	<u>\$46,326,577</u>	<u>\$10,854,055</u>

Treasury board orders totalling \$3,542,500 used for temporary financing form part of the \$10,854,055. The expenditures of \$46,326,577 form part of the total gross expenditure of \$1,424,377,648 referred to on the previous page and are not in addition thereto.

Details of treasury board orders issued and the amounts expended are shown on pages 62-75 of this report.

It will be noted from the amounts shown in the Analysis of Gross Expenditure that the total Gross Actual Voted Expenditure (which includes expenditures under treasury board orders) is less than the total of the related gross estimates. The same situation exists with respect to Net Expenditure which is shown in graphic form for the past 10 years on pages 46-47 of this report.

STATUTORY

The Estimates for gross statutory expenditure and the gross actual statutory expenditure, excluding public debt, are summarized as follows:

	ESTIMATES— GROSS STATUTORY EXPENDITURE	GROSS ACTUAL STATUTORY EXPENDITURE	EXCESS OF GROSS ACTUAL STATUTORY OVER ESTIMATES
Ordinary Account . .	\$187,320,000	\$192,350,734	\$ 5,030,734
Capital Account . . .	230,634,000	255,457,004	24,823,004
	<u>\$417,954,000</u>	<u>\$447,807,738</u>	<u>\$29,853,738</u>

The major items accounting for the excess of \$29,853,738 are summarized below:

	OVER	UNDER
Advances—		
The Ontario Junior Farmer Establishment Loan Corporation	\$ 8,400,000	
The Hydro-Electric Power Commission of Ontario	48,842,500	
The Ontario Municipal Improvement Corporation	3,000,000	
The Ontario Universities Capital Aid Corporation		\$10,760,700
Loans—		
The Municipal Works Assistance Act		22,584,202
The Municipal Works Assistance Act—Forgiveness Feature		12,683,134
Public Service Superannuation Fund	3,626,451	
Refunds of Capital Receipts of Prior Years—		
Ontario Research Foundation	3,520,000	
Ontario Municipal Employees Retirement Fund	3,400,000	
The Medical Services Insurance Act, 1965	1,056,386	
The Child Welfare Act, 1965	3,972,325	

SPECIAL WARRANTS

Special Warrants were authorized under subsection 1, section 29, of The Financial Administration Act in the amount of \$16,740,094 during the year ended March 31, 1966. Actual expenditures relative thereto were \$12,733,461 and exceeded those of the preceding year by \$10,100,562.

PRINCIPAL ITEMS OF NET ORDINARY REVENUE AND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1966

An analysis of net ordinary revenue and expenditure for the fiscal year ended March 31, 1966 showing the percentage of each item to the total, classified by major categories, is presented in the following statement:

NET ORDINARY REVENUE

		%
Income Tax	\$ 292,403,842	20.27
Corporations Tax	252,375,741	17.49
Gasoline Tax	236,829,198	16.41
Retail Sales Tax	220,998,196	15.32
Liquor Profits, Gallonage Fees, etc.	125,200,000	8.68
Motor Vehicle Permits and Licenses, Fees, etc.	95,881,391	6.65
Succession Duty	56,968,088	3.95
Government of Canada—Proportion of Estate Tax	16,837,500	1.17
Mines Profits Tax	14,889,068	1.03
Motor Vehicle Fuel Tax	14,677,907	1.02
Timber—Stumpage Charges	13,705,584	.95
Race Tracks Tax	12,161,834	.84
Administration of Justice—Fees, Fines, etc.	9,678,421	.67
Hospitals Tax	6,790,700	.47
Land Transfer Tax	6,705,592	.46
Water Power Rentals	6,647,050	.46
Fish and Wildlife Licenses, Royalties, etc.	6,153,301	.43
Government of Canada—Annual Subsidies	4,624,070	.32
Security Transfer Tax	4,199,648	.29
All other revenue	45,118,028	3.12
	<u>\$1,442,845,159</u>	<u>100.00</u>

NET ORDINARY EXPENDITURE

		%
Education	\$ 443,520,605	30.76
Health Services	164,044,765	11.38
Public Debt—		
Interest, etc.	\$63,174,702	
Provision for Sinking Fund	41,500,000	
	104,674,702	7.26
Highways and Roads	97,567,588	6.77
Welfare Services	84,842,799	5.88
Grants to Universities and Colleges, etc.	69,583,545	4.83
Grants to Municipalities, etc.	46,796,637	3.25
Law Enforcement	39,423,550	2.73
Conservation of Forests, Fish and Wildlife	28,528,699	1.98
Agricultural Services, Grants, etc.	24,698,984	1.71
Reform Institutions	19,498,604	1.35
Public Buildings, Maintenance and Repairs, etc.	14,944,610	1.04
All other expenditures	76,624,324	5.31
	\$1,214,749,412	84.25
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue	227,000,000	15.75
	<u>\$1,441,749,412</u>	<u>100.00</u>

A graphic presentation of the major items of net ordinary revenue and net ordinary expenditure, shown on pages 42-45 of this report, compares these items for the five years ended March 31, 1966.

GENERAL

The total net ordinary revenue of the Province as shown by the analysis on the previous page was \$1,442,845,159 for the year ended March 31, 1966. This is an increase of \$205,600,666 over the year ended March 31, 1965.

I refer hereunder to some of the larger items of revenue and expenditure and other matters relating to the operations for the year ended March 31, 1966.

Individual income tax, corporations tax, gasoline tax, retail sales tax, liquor control revenues, motor vehicle licenses and fees and succession duty continue to be the main sources of revenue providing \$1,280,656,456 or approximately 89% of the total net ordinary revenue of the Province. This was \$185,415,997 more than the amount collected from the same seven sources in the previous year. The balance of net ordinary revenue in the amount of \$162,188,703 is the total from all other sources. Although these other sources produce smaller amounts than those mentioned above, they nevertheless represent important operations of the Province.

The total net ordinary expenditure amounted to \$1,441,749,412 which was \$204,945,595 more than the preceding year. Other than capital disbursements of \$227,000,000 financed out of ordinary revenue, the chief items of ordinary expenditure were the cost of education, health services, public debt charges including provision for sinking fund, highways, welfare services and grants to universities and colleges, etc. These six items, amounting to \$964,234,004, accounted for approximately 67% of the net ordinary expenditure. The remain-

ing \$477,515,408 net ordinary expenditure was the cost of all other operations for the year under review. As in past years these latter items continue to occupy a vital place in the overall programme of the Province.

During the year under review \$292,403,842 was received under The Income Tax Act, 1961-62, an increase of \$96,561,730 over the amount received in the previous year. The large increase reflects the additional participation in income tax made available to the Province by the Government of Canada.

The Province received from the Government of Canada a proportion of estate tax in the amount of \$16,837,500 during the year ended March 31, 1966, an increase of \$1,721,500 over the amount received in 1964-65.

In the fiscal year a repayment of \$293,973 was made to the Government of Canada under the terms of the Canada-Ontario Tax Rental Agreement, 1952-56. This amount represents the actual over estimated succession duty credits allowed by the Federal Department of National Revenue during the year ended March 31, 1965 in connection with estates of persons who died during the five-year period from April 1, 1952 to March 31, 1957. This payment relates to accounts of prior years and has therefore been charged to Surplus Account.

Education continues to be the most costly service provided by the Province, accounting for 30.76% of the total net ordinary expenditure for the year. The expenditure for the Department of Education amounted to \$443,520,605 which was an increase of \$26,668,037 over the previous year. In addition, the expenditure of the Department of University Affairs amounted to \$69,583,545. The Province also advanced capital funds to The Ontario Universities Capital Aid Corporation in the amount of \$89,239,300 to finance the purchase of Ontario university debentures.

Gross capital disbursements for investment in physical assets were made during the year as follows:

Highways.....	\$238,548,231	
Mining, Access and Logging Roads.....	2,177,531	
		\$240,725,762
Land and Buildings.....		34,730,420
General Works and Improvements:		
Municipal Drainage, Dams, Docks, etc.....	\$ 848,045	
Conservation Projects, etc.....	2,889,762	
Commuter Rail Project.....	30,987	
Special Projects re Townsites.....	20,888	
		3,789,682
Rural Power Transmission Lines.....		578,976
Provincial Parks.....		3,124,380
		\$282,949,220
Less—Financed out of Ordinary Revenue.....		227,000,000
		<u>\$ 55,949,220</u>

The Department of Highways made gross capital disbursements during the year of \$238,548,231 on King's Highways, Development Roads and Municipal Road Subsidies which is an increase of \$28,050,233 over the previous year. In addition to these capital disbursements, the ordinary expenditures of the Department for maintenance of highways and roads and other operating expenses amounted to \$97,567,588.

The Department of Mines disbursed \$1,408,151 for mining and access roads and the Department of Lands and Forests disbursed \$769,380 for logging and access roads.

Gross capital disbursements for the construction of new public buildings, alterations to buildings and the purchase of land and buildings amounted to \$34,730,420 for the year ended March 31, 1966.

General Works and Improvements were increased by gross capital disbursements of \$3,789,682.

The investment in Rural Power Transmission Lines was increased by a gross capital disbursement of \$578,976 to The Hydro-Electric Power Commission of Ontario to assist in rural electrification projects. This amount is \$59,104 more than the payment made in 1964-65.

Gross capital disbursements of \$1,614,388 were made during the year by the Department of Lands and Forests for the acquisition of land to provide for parks and recreational areas. In addition, the Department spent \$1,509,992 for construction of buildings, development of camp-sites and picnic areas and other improvements.

During the year ended March 31, 1966, \$227,000,000 or 80% of the gross capital disbursements invested in physical assets of the Province was financed out of ordinary revenue. This is an increase of \$40,000,000 over the amount financed out of ordinary revenue in 1964-65.

A provision for Sinking Fund in the amount of \$41,500,000 was made through ordinary account, an increase of \$1,500,000 over the amount similarly provided in 1964-65.

The Province contributed \$24,580,383 to the Teachers' Superannuation Fund in accordance with sections 23 and 24 of The Teachers' Superannuation Act and also contributed \$13,706,878 to the Public Service Superannuation Fund in accordance with section 8 of The Public Service Superannuation Act.

An actuarial valuation of the Public Service Superannuation Fund made by Professor N. E. Sheppard, M.A., F.I.A., indicated an actuarial deficit or an unfunded liability of \$74,102,000 as at March 31, 1962. He estimated this initial unfunded liability to be \$82,616,000 as at January 1, 1965. Professor Sheppard also made an actuarial valuation of the Teachers' Superannuation Fund which indicated an unfunded liability of \$292,763,000 as at December 31, 1961. This initial unfunded liability was estimated by him to be \$330,861,000 as at January 1, 1965. In the year under review \$4,131,000 was paid to the Public Service Superannuation Fund and \$14,889,000 was paid to the Teachers' Superannuation Fund as required by section 2 (12) of Ontario Regulation 103/66. Similar amounts appear in the Estimates for 1966-67.

With the filing on April 15, 1966 of Ontario Regulation 103/66 under The Pension Benefits Act, 1965, the previous regulations were revoked. Sec. 2 (3) of the new regulation provides that employers in general shall pay currently special equal annual payments sufficient to liquidate the initial unfunded liability over a term not exceeding twenty-five years and in addition make further special payments to the Fund to liquidate an "experience deficiency" over a term not exceeding five years.

In the case of government employers, however, section 2 (12) of the Regulation permits the special payments in respect of the initial unfunded liability to be limited to the amount required to prevent any increase in that liability, without the necessity of liquidating the initial unfunded liability.

In the case of "experience deficiency" the government employer must obtain reappraisal at not more than three-year intervals of the unfunded liability (sec. 4 (1) of O.R. 103/66) and pay into the Fund in accordance with sec. 2 (3c) of the same regulation.

The effective date of registration of the Public Service Superannuation Fund being January 1, 1965, the "experience deficiency" must be appraised and the special payments to liquidate it determined on or before January 1, 1968.

At the Session of the Legislative Assembly of Ontario which was convened on January 20, 1965 a Standing Committee on Public Accounts was established. The committee held a total of twenty-five meetings during the last Session and examined the 1964-65 Public Accounts as follows:

1. The Department of Agriculture.
2. The Department of Attorney General.
3. The Department of Economics and Development.
4. The Department of Energy and Resources Management.
5. The Department of Health.
6. The Department of Labour.
7. The Department of Lands and Forests.

I was present at all the meetings except those during which the committee drafted its report. The report of the committee was tabled in the House on June 29, 1966.

AUDIT OF REVENUE

A continuous post audit of the revenues of the Province is being maintained. The revenue records and related data of various Departments have been examined during the year, in accordance with the practice of previous years, employing all procedures deemed necessary to conform with generally accepted auditing standards applicable in the circumstances.

The Departments are directly responsible for the clerical accuracy of revenue accounts, the efficiency of systems in operation and the speed with which billings and assessments are made and collections effected. While, as Auditor, I am concerned with these factors my prime interest is to ensure that a proper internal control is maintained in these areas. Since the accuracy and reliability of accounting records depend upon efficient systems and internal controls it is the practice to examine the existing systems and procedures of the various Departments visited to determine the effectiveness of these controls.

Reports on the various audits and examinations performed during the year have been submitted to the Ministers of the Departments concerned, and to the officials of Boards and Commissions where applicable. The information obtained as a result of these examinations is most important in determining the reliability of the accounting process and enables me to be of the opinion that a proper accounting is being made of the revenues of the Province.

AUDIT OF EXPENDITURE

Throughout the year ended March 31, 1966, in accordance with the provisions of The Audit Act, a continuous examination has been made of the accounts of expenditure of public moneys out of the Consolidated Revenue Fund whether held in trust or otherwise.

Under authority granted to the Provincial Auditor in section 9 (3) of The Audit Act, certain expenditure vouchers were admitted as satisfactory after determining that they had been examined and certified correct by the departments concerned and having regard to the character of the departmental examination.

Under the provisions of The Audit Act, no payment for expenditures from the Consolidated Revenue Fund can be made until the Provincial Auditor has satisfied himself that there is legislative authority for the payment, that there is a legislative appropriation sufficient to cover the proposed expenditure and that the payment is proper in all other respects. The procedure followed to give effect to the above provisions is generally described as a "pre-audit" of expenditures. There are many advantages to a pre-audit procedure but the main one is that corrective action can be taken before the payment is made. Two items which I feel require review and consideration are:

1. Salary-paid Crown Attorneys are being paid fees for services beyond the county or district for which they are appointed.

Section 10 of The Administration of Justice Expenses Act states:

"Where services are rendered by a person in connection with a prosecution and the services are rendered by the direction or with the approval of the Attorney General, the person rendering the services is entitled to be paid such sum as the Attorney General directs out of the moneys appropriated by the Legislature for the administration of justice."

However, since these Crown Attorneys are civil servants appointed at an annual salary, it would appear unnecessary to pay them for services given outside

the county or district for which they are appointed. The Public Accounts Committee in their report of June 29, 1966 have expressed a similar point of view.

2. Since February 1, 1964 the Chairman of the Ontario Police Commission has been reimbursed for living expenses while in Toronto and for travel to and from his home on weekends. An examination of his accounts indicates that full-time attendance is required in Toronto. It is recommended that consideration be given to establishing Toronto as this person's headquarters.

The Office of the Provincial Auditor continues its vigilance to ensure effective control by the Legislature over public funds, to see that money is spent as directed and that a high standard is maintained in all financial transactions.

There is a variance in the voting of funds for programs for which reimbursements are available from other authorities in that some funds are voted "gross" (before any estimated recoveries) while others are voted "net". Since the Public Accounts are prepared on the same basis as the Estimates, a corresponding variation will appear in the Public Accounts presentation of the votes concerned. It is recommended that consideration be given to standardizing the voting of funds for such programs. If funds were voted "gross" and recoveries were shown as revenue until the end of the fiscal year and then transferred as a reimbursement of expenditure to the related vote and item, a more consistent presentation would result. Voting "gross" should eliminate treasury board orders for temporary financing.

Both the Department of Education and the Department of University Affairs award student bursaries. The main distinction is the level of education over which each department exercises authority. The Department of Education Act makes provision for the Minister to make regulations, subject to the approval of the Lieutenant Governor in Council, dealing with the establishment and awarding of bursaries including prescribing the terms and conditions thereof. The Department of University Affairs Act does not include such a section. I would respectfully recommend that consideration be given to making the necessary amendment to The Department of University Affairs Act.

Cheques issued by the Province for Ontario Graduate Fellowships are drawn in favour of graduates as directed by the Department of University Affairs and forwarded to the Department for transmittal to the universities concerned. If a graduate fails to register, it is necessary to return his cheque for cancellation. During the year under review 4,659 cheques were issued for Ontario Graduate Fellowships and 436 of these cheques were returned for cancellation. It would appear that considerable savings could be effected by having the cheques drawn in favour of each student only when registration is completed.

During the year under review 88,385 requisitions for payment were received for pre-audit and 5,334 of these were returned for various reasons, including errors in the amount payable, for the necessary corrective action. The majority of the returned requisitions involved changes in the amounts payable of less than \$500. Of those returns involving changes of \$500 and over, fifteen returns resulted in a total reduction of \$32,800 and three resulted in a total increase of \$39,295 in amount payable. In addition, the audit of Succession Duty refunds disclosed four errors of \$500 or over; two refunds were reduced by \$1,774 and two were increased by \$1,226.

Closely related to the pre-audit of expenditures is the checking of claims. In the case of claims on the Government of Canada errors detected in 10 claims resulted in a net addition of \$167,586 to the amounts recoverable by the Province. Errors detected in 2 claims payable by the Province of Ontario resulted in a reduction of \$24,246 in these claims. Hence the audit of claims has resulted in a saving of \$191,832 to the Province.

In some cases government-owned vehicles are being used for personal transportation as well as for government business. Proper records are not being kept for all vehicles with the result that it is difficult to determine the amount of the personal portion. There also appears to be an inconsistency in the charging for personal use in that some persons make a payment and others do not. The following recommendations are submitted:

1. A standard form of log book should be designed and maintained for all government vehicles.

2. The system of charging for personal use of vehicles should be reviewed with a view to establishing uniformity.

3. A general review of all government-owned vehicles and their use should be made periodically to ensure that each vehicle is necessary for the efficiency of the Department. In this respect the establishment of inter-departmental "pool cars" rather than having each vehicle assigned to a specific department should be explored.

The new addition to the Frost Building was scheduled for occupancy early in 1966. Because of various delaying factors full occupancy has not yet been effected. It is recommended that careful planning be undertaken so that occupancy of the new Queen's Park complex can be effected with a minimum of delay, after completion of the buildings, to avoid unnecessary rental expense in other rented premises.

Fidelity insurance is placed by the Province on civil servants in positions of trust and on certain license issuers acting for the Department of Lands and Forests and the Department of Transport. In addition, coverage is placed by the Inspector of Legal Offices on certain court and other officials. Premiums presently paid by the Treasury Department for the coverage for civil servants are in excess of \$39,000 per annum and a considerable amount of administrative work is required in arranging coverage and maintaining records.

In my report dated November 27, 1964 I recommended that a study be conducted to see if a system of blanket coverage for persons in positions of trust could be arranged with a surety company to eliminate administrative overhead and possible losses due to incomplete coverage under the present system. I also indicated that consideration might be given to an alternate policy whereby the Province would carry a fidelity insurance fund of its own for civil servants and continue to carry coverage with surety companies for persons other than civil servants.

At this time I again recommend that consideration be given to these two proposals.

BALANCE SHEET

The balance sheet of the Province does not include as an asset the value of Crown timber, mineral wealth, and surface value of Crown lands, water power, fish, game and fur.

The balance sheet does not include a number of Boards and Commissions and other Crown Instrumentalities created by legislation. These bodies are mostly on a self-supporting basis.

The following is a condensed balance sheet of the Province of Ontario showing the assets and liabilities as at March 31, 1966.

**PROVINCE OF ONTARIO
CONDENSED BALANCE SHEET
AS AT MARCH 31, 1966**

ASSETS

Cash on Hand and in Banks.....	\$ 116,185,902
Temporary Investments.....	86,261,150
Loans and Advances.....	926,034,528
Government of Canada:	
Debt Account and Common School Fund.....	4,300,955
Highways, Buildings, etc.....	3,019,775,728
Liquor Control Board of Ontario—Investments.....	24,985,224
Other Loans and Advances.....	261,786
Discount and Exchange on Debentures (less amount amortized).....	16,815,150
Accounts Receivable (less Reserve).....	65,071,807
Accrued Interest on Advances secured by bonds.....	3,010,245
Interest Receivable (less Reserve).....	252,000
Equipment, Stores and Materials (less Reserve).....	12,841,366
	<u>\$4,275,795,841</u>

LIABILITIES

Funded Debt (less sinking fund—\$140,280,963).....	\$2,085,365,039
Unfunded Debt.....	423,621,213
Accounts Payable.....	1,924,532
Accrued Interest on Funded Debt.....	30,243,276
	<u>\$2,541,154,060</u>
Reserves.....	9,857,301
Surplus.....	1,724,784,480
	<u>\$4,275,795,841</u>
Contingent Liabilities:	
Bonds, etc., Guaranteed by the Province.....	<u>\$1,752,182,354</u>

I report hereunder on certain of the assets and liabilities as shown on the balance sheet of the Province as at March 31, 1966, which appear in the Public Accounts for 1965-66 on pages 6-7.

ASSETS

CASH ON HAND AND IN BANKS—\$116,185,902

Cash in Chartered Banks.....	\$114,420,503
Province of Ontario Savings Office.....	1,765,399
	<u>\$116,185,902</u>

The balances in chartered banks for the account of the Treasurer of Ontario were verified by reconciliation with letters of confirmation received direct from the depositaries. It was necessary to take into account a balance sheet adjustment to segregate sinking fund moneys on deposit with the Treasurer of Ontario from other Provincial moneys on deposit at March 31, 1966.

Cash on hand in the various branches of the Province of Ontario Savings Office was certified by the respective branch managers and the cash on deposit in chartered banks has been confirmed by direct correspondence with the banks concerned. The branches of the Savings Office were examined by Head Office inspectors during the year.

TEMPORARY INVESTMENTS—\$86,261,150

	Par Value	
Government of Canada:		
Direct and Guaranteed Securities.....	\$51,924,400	
Treasury Bills.....	16,737,000	
Provinces of Canada:		
Direct and Guaranteed Securities.....	9,196,150	
Treasury Bills.....	975,000	
	<u>\$78,832,550</u>	
Additional Cash Security.....	20,000	
	<u>\$78,852,550</u>	
Subject to repurchase agreements at.....		\$76,275,000
Government of Canada Treasury Bills.....	<u>\$10,000,000</u>	
	(at cost).....	<u>9,986,150</u>
		<u>\$86,261,150</u>

Temporary investments have been made for the purpose of making the most efficient use of funds temporarily surplus to current requirements. These investments were made under authority of section 20 of The Financial Administration Act. The securities are held by the Province in connection with uncompleted purchase and resale contracts with investment dealers. The securities on hand at March 31, 1966 were lodged for safekeeping with the Securities Branch of the Treasury Department and were verified by actual count as at that date.

LOANS AND ADVANCES—\$926,034,528

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—SECURED BY BONDS—\$384,466,000

Under the provisions of The Power Commission Act, debentures of the Province of Ontario were issued during the years 1951 to 1959 in the amount of \$375,000,000 and the proceeds were advanced to The Hydro-Electric Power Commission of Ontario. Repayments to March 31, 1965 amounted to \$38,202,000 leaving a balance of \$336,798,000. During the year under review, a further \$50,000,000 of debentures were issued and charged to this account. The Commission repaid to the Province \$2,332,000 with respect to bonds held as collateral on account of redemption prior to maturity, leaving a balance of \$384,466,000 as at March 31, 1966.

As security for the advances the Province holds bonds of the Commission for the same principal amount and the same interest rate and terms as the related Province of Ontario debentures.

Bonds of the Commission in the amount of \$384,466,000 held in safekeeping in the Securities Branch of the Treasury Department at March 31, 1966 were verified by actual count.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—UNSECURED—\$9,014,648

General	\$7,214,862
Nuclear Powered Generating Station.....	1,799,786
	<u>\$9,014,648</u>

During the period from 1909 to 1934 funds borrowed by the Commission under authority of The Power Commission Act were in some cases obtained as a part of the proceeds of certain Provincial debenture issues. As the Provincial issues mature, the Commission repays the amount previously advanced. The Commission also pays its share of the interest and service charges of the Provincial issues concerned. A principal repayment of \$1,659,670 was received during the year under review leaving a balance of general unsecured advances unpaid of \$7,214,862 as at March 31, 1966. Future repayments are due each year with final payment to be made in 1972.

By an agreement dated August 1, 1963, approved by Order in Council 3769/66, capital costs of a certain nuclear powered generating station are to be shared by The Hydro-Electric Power Commission of Ontario 40%, Atomic Energy of Canada Limited 33%, and the Province of Ontario 27%.

During the year under review the Province disbursed \$1,799,786 to The Hydro-Electric Power Commission of Ontario as the Provincial share of capital costs. In accordance with the agreement, commencing at the "in-service" date of the nuclear powered generating station, The Hydro-Electric Power Commission is required to compute each month an amount of "payback" and allocate the said "payback" to the three parties in direct proportion to their capital contributions. Consequently, the Province's contribution during the year under review is shown as unsecured advances.

PROVINCIAL CROWN CORPORATIONS—INVESTMENTS—\$278,389,709

HOUSING CORPORATION LIMITED—INVESTMENTS—\$884,066

In 1948 this Corporation was incorporated under a Provincial Charter to facilitate the financing of new low-cost houses in Ontario through second mortgages. In 1949, when the Government of Canada expanded its operations in this field, Housing Corporation Limited discontinued granting loans.

The assets of the Corporation, shown as an investment of the Province, have decreased \$335,787 during the year under review mainly because of the repayment of \$336,450 principal on mortgage loans. During the year 335 loans were retired leaving 3470 outstanding as at March 31, 1966. No confirmation of mortgages was obtained from the mortgagors.

The liabilities of the Corporation to the Public, shown as a liability of the Province, have decreased \$350,202 during the year mainly because of a reduction in the bank loan in the amount of \$350,000. The outstanding bank loan, guaranteed by the Province, amounted to \$87,000 at March 31, 1966.

The Reserve for Mortgage Loans, included in the Reserves section of the Province's balance sheet, has increased \$14,415 during the year. This increase is due to the operating profit having been credited to the Reserve for Mortgage Loans.

Since inception, the administrative expenses of the Corporation have been paid by the Province and the Corporation has applied its revenue to the payment of bank interest and bank collection charges on mortgage repayments. The Corporation operated at a loss from 1958 to 1964 but made a profit of \$4,382 for the year ended March 31, 1965 and a profit of \$14,415 for the year under review.

The balance sheet of Housing Corporation Limited is shown separately in the Public Accounts for 1965-66 on page 73.

ONTARIO HOUSING CORPORATION—INVESTMENTS—\$46,295,487

The Corporation was established in 1964 to assume the responsibility of the Province relative to existing and future agreements under The Housing Development Act. At the inception of the Corporation all of the assets acquired under The Housing Development Act were vested in the Corporation together with all rights of the Province under existing agreements.

By an Order in Council effective November 1, 1964 the Corporation also assumed responsibility for the management, operation and administration of such housing projects as are constructed in the Metropolitan Toronto area jointly by the Government of Canada and the Ontario Housing Corporation. In addition, the Corporation has direct responsibility for all new Ontario Housing Projects throughout the Province.

The Corporation also was charged with acquiring certain dwelling units adjacent to the widened portions of Highway 401 and for this purpose was provided with interest-free funds by the Treasurer of Ontario. The Corporation has been responsible for rental, sale and administration of these properties. A number of these properties have been sold and the Corporation has taken back mortgages in some instances. These mortgages, having a balance of \$443,359 as at December 31, 1965, were not confirmed with the mortgagors. A net recoverable loss on Highway 401 properties sold to December 31, 1965 has been shown as a deferred asset on the balance sheet of the Corporation. It is anticipated that this will be reduced by interest earnings on mortgages and the possible sale of properties at a profit.

Under all the areas of responsibility the Corporation had acquired assets totalling \$43,326,197, as at December 31, 1965. To incorporate these assets into the balance sheet of the Province \$3,200,000 was added to record further capital advances by the Treasurer of Ontario between January 1, 1966 and March 31, 1966 and \$230,710 was deducted to record the clearing of the operating advance from the Treasurer of Ontario, in the same period, leaving investments of \$46,295,487 as at March 31, 1966.

The Province's investment in Ontario Housing Corporation has increased \$24,238,943 over the balance at March 31, 1965. This increase is due mainly to investment in Provincial Ontario Housing projects \$20,346,700, investment in

Highway 401 properties \$618,269, mortgages taken back on sales of Highway 401 properties \$443,359 and the \$3,200,000 in advances, previously referred to, in the period from January 1, 1966 to March 31, 1966.

The liability of the Corporation to the Treasurer of Ontario at March 31, 1966 consisted of:

Net capital advances from the Province made under The Housing Development Act for Federal-Provincial housing projects including accrued interest to September 30, 1964 .	\$20,455,951
Less: principal repayment, December 31, 1965.....	137,660
	<u>\$20,318,291</u>
Interest-free advances for the acquisition of properties adjacent to Highway 401.....	1,350,000
Advances for Provincial Ontario Housing projects:	
As at December 31, 1965.....	\$5,200,000
January 1 to March 31, 1966.....	<u>3,200,000</u>
	8,400,000
	<u><u>\$30,068,291</u></u>

An arrangement was made with the Corporation to repay the liability of \$20,455,951 to the Province in 50 equal annual instalments including interest at 3 $\frac{7}{8}$ % per annum, calculated semi-annually. The first payment date originally set as September 30, 1965 was extended to December 31, 1965 to coincide with the Corporation's year end. Effective September 30, 1964 interest on further advances was authorized by Order in Council at the rate of 5 $\frac{5}{8}$ % per annum with repayment of the advances to be made as revenues exceed the capital requirements of the Corporation.

All other liabilities of the Corporation amounted to \$16,227,196, an increase of \$15,522,937 over the corresponding figure at March 31, 1965. The principal items accounting for the increase were mortgage loans from Central Mortgage and Housing Corporation \$14,292,497, hold-backs on construction contracts \$510,210 and increased accounts payable of \$473,245.

For the nine months ended December 31, 1965, after applying its revenues to expenditures, the Corporation operated at a loss amounting to \$869,289, for which funds were provided by the Province.

The assets and liabilities of the Ontario Housing Corporation have been included in the balance sheet of the Province. The balance sheet of the Corporation is shown separately in the Public Accounts for 1965-66 on pages 74-75.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN

CORPORATION—INVESTMENTS—\$42,965,070

The Ontario Junior Farmer Establishment Loan Corporation was incorporated in 1952 for the purpose of making loans to assist young qualified farmers in the establishment, development and operation of their farms.

Because the interest charged on mortgage loans has not been sufficient to meet the cost of borrowed money the Corporation has operated at a deficit each year since 1958. During the year under review the accumulated deficit to March 31, 1964, in the amount of \$1,010,431, has been deleted from the books

of the Corporation as authorized by Order in Council 3567/66. Provision has been made in the 1966-67 Estimates for a payment to the Corporation to cover the 1964-65 deficit of \$189,944. The operations for the year ended March 31, 1966 resulted in a deficit of \$326,967, bringing the deficit on the books of the Corporation to \$516,911 as at March 31, 1966.

During the year under review, 824 new loans were made and 370 loans were retired, leaving 3,889 loans outstanding as at March 31, 1966. No confirmation of mortgage loans was obtained from the debtors concerned.

The Province has paid costs of administration and the Corporation has applied its revenue to the payment of interest on borrowed funds and amortization of discount on debentures.

The assets of the Corporation, which represent the investment of the Province, have increased \$12,297,497 during the year ended March 31, 1966 mainly because of an increase in Mortgage Loans Principal of \$12,038,957.

The assets and liabilities of the Corporation have been included in the balance sheet of the Province. The balance sheet of the Corporation is shown separately on page 77 of the 1965-66 Public Accounts.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

INVESTMENTS—\$52,257,590

The Ontario Municipal Improvement Corporation was incorporated in 1950 for the purpose of purchasing from municipalities and school boards in Ontario debentures issued by them for certain municipal works and school board undertakings.

The assets of the Corporation have increased \$98,436 during the year. The major items in the increase were an increase in cash in bank and in trust company \$3,098,504 and a decrease in net investments of \$2,893,220. As at March 31, 1966 the Corporation held debentures of Ontario municipalities and school boards having a par value of \$46,485,868 bearing interest at various rates from 3¾% to 7%. A schedule of these debentures is presented on pages 50-58 of this report. The debentures were verified by actual count on March 31, 1966 and are held for safekeeping by the Securities Branch of the Treasury Department.

Administrative expenses of the Corporation have been paid by the Province of Ontario and the revenue of the Corporation has been applied to the payment of interest on borrowed funds. The operations for the year under review resulted in a profit of \$702,813.

The accumulated profits since the inception of the Corporation have been transferred to a General Reserve Account which, at March 31, 1966, amounted to \$5,705,391.

The assets and liabilities of the Corporation have been included in the balance sheet of the Province. The balance sheet of the Corporation is shown separately in the Public Accounts for 1965-66 on page 79.

THE ONTARIO UNIVERSITIES CAPITAL AID CORPORATION—
INVESTMENTS—\$134,209,774

The Ontario Universities Capital Aid Corporation was established in 1964 with the object of purchasing from universities, in Ontario, bonds or debentures issued by them for capital construction projects that have been approved by the Minister of University Affairs.

The only assets of the Corporation at March 31, 1966 were 5½% debentures of Ontario universities, at cost and par value, \$134,209,774.

To finance the purchase of the debentures, the Treasurer of Ontario made advances to the Corporation of \$45,600,000 to March 31, 1965 and a further \$89,239,300 to March 31, 1966. These advances bear interest at 5½% and are repayable to the Province in the same amounts as the yearly instalments become due on the debentures purchased by the Corporation. During the year under review \$629,526 principal was repaid to the Province, leaving advances of \$134,209,774, as at March 31, 1966.

Revenue of the Corporation has been applied to the payment of interest on advances.

Although these purchases of debentures are regarded as loans there is little likelihood that the Universities will ever be able to raise enough money, apart from grants, to repay the loans. Consequently, recovery of these loans is dependent upon the ability of the Province to make grants to these Universities in future years.

The assets and liabilities of the Corporation are included in the balance sheet of the Province. The balance sheet of the Corporation is shown separately in the Public Accounts for 1965-66 on page 81.

THE SHERIDAN PARK CORPORATION—INVESTMENTS—\$1,777,722

The Sheridan Park Corporation was established in 1964 with the object of acquiring and developing land in an area in the Township of Toronto, County of Peel, for the purpose of research and ancillary services and generally for establishing a centralized research complex.

The above amount of \$1,777,722 represents the total assets of the Corporation after giving effect to the payment of \$54,750 of accrued interest at March 31, 1966 to the Treasurer of Ontario. The main asset is land shown at cost, \$1,803,875.

To provide funds for the Corporation, advances totalling \$2,000,000 were made by the Treasurer of Ontario in 1964-65 and the Corporation repaid \$175,000 in the year under review. These advances bear interest at 6% per annum.

The operations of the Corporation for the year under review resulted in a loss of \$53,735, which brings the accumulated deficit to \$101,413. The loss of \$53,735 is reflected in the balance sheet of the Province by an adjustment through Surplus Account.

The assets and liabilities of the Corporation are included in the balance sheet of the Province. The balance sheet of the Corporation is shown separately in the Public Accounts for 1965-66 on page 82.

ONTARIO WATER RESOURCES COMMISSION—ADVANCES—\$84,122,478

This Commission was created in 1956 to assist Ontario Municipalities in dealing with their financial and physical problems relating to water resources, sewage and pollution. Projects undertaken had to be self-liquidating, earning sufficient revenue over a reasonable time to cover operating costs, interest charges and debt retirement.

During the year under review there was a net increase of \$8,145,934 in this account which includes net interest charges of \$113,400 calculated to December 31, 1965 and a write-off to Surplus Account of \$5,999 relating to certain construction costs.

ONTARIO NORTHLAND TRANSPORTATION COMMISSION—\$30,207,935

This amount relates to advances to the Commission to provide funds for construction and equipment. There has been no change in the account since 1937. The loan was made non-interest bearing by an Order in Council dated April 22, 1936.

PROVINCIAL STUDENT-AID LOANS—\$6,038,282

During the year under review the Government of Canada introduced a Student Loan Plan and, consequently, no new loans were made by the Province.

Repayments of \$1,273,282 included 1,836 loans paid in full. As at March 31, 1966, 10,389 loans were outstanding and it was not deemed necessary to write off any loans during the year ended March 31, 1966.

MUNICIPALITIES—\$107,788,390

Municipal Debentures—

Town of Atikokan.....	\$ 34,600
Improvement District of Elliot Lake.....	2,880,100
Improvement District of Manitouwadge.....	728,100
The Municipality of Metropolitan Toronto.....	58,981,000
City of Windsor.....	800,481
Tile Drainage Debentures.....	8,076,173
Village of West Lorne.....	2,483
Town of Kapuskasing.....	306,000
The Municipal Works Assistance Act, 1963.....	35,979,453

\$107,788,390

During the year under review loans to municipalities were reduced as follows: Town of Atikokan \$3,300, Improvement District of Manitouwadge \$44,400, City of Windsor \$62,802, and the Village of West Lorne \$6,724. An additional amount of \$500,000 was advanced to the Improvement District of Elliot Lake and \$320,400 was redeemed, a net increase of \$179,600. Debentures of The Municipality of Metropolitan Toronto totalling \$20,000,000 were purchased and \$591,000 were redeemed by the Municipality which brought the amount of these debentures held by the Province to \$58,981,000 at March 31, 1966. Tile Drainage debentures totalling \$1,777,942 were purchased and debentures totalling \$1,083,550 were redeemed, making a net increase of \$694,392 in the account.

Under authority of The Municipal Works Assistance Act, 1963 the Province entered into an agreement with the Municipal Development and Loan Board which is a board established under the Municipal Development and Loan Act (Canada). In accordance with the agreement the Board makes loans to the Province, secured by Provincial Debentures, to enable the Province to make loans to municipalities for certain municipal projects. During the year under review the Province made loans to municipalities amounting to \$30,415,799 and received principal repayments of \$288,087 and a recovery of the \$15,081 unsecured balance. As at March 31, 1966 the balance of loans outstanding was \$35,979,453 of which \$6,499 was an unsecured balance which was repaid subsequent to March 31, 1966.

Tile Drainage debentures are held in safekeeping by the Canadian Imperial Bank of Commerce and were confirmed as at March 31, 1966 by a test examination. The various municipal debentures, held in safekeeping by the Securities Branch of the Treasury Department, were confirmed by actual count as at March 31, 1966.

In 1964-65 \$306,000 paid to the Town of Kapuskasing was charged to General Works and Improvements. In the year under review this was transferred to Loans and Advances. This advance is secured by promissory notes bearing interest at $5\frac{3}{4}\%$. The notes, held in the Securities Branch of the Treasury Department, were examined as at March 31, 1966.

MISCELLANEOUS—\$26,007,086

The Co-operative Loans Act—Loans.....	\$ 3,296,053
Old Age Assistance and Allowances for Blind and Disabled Persons, etc.	8,142
Province of Ontario Savings Office—Accounts Receivable.....	1,364
Sandwich, Windsor and Amherstburg Railway Company—Bonds.....	2,700,000
The Public Hospitals Act, sec. 5a—Loans.....	12,326,687
The Sault Ste. Marie Bridge Act, 1960:	
International Bridge Authority of Michigan—Bonds.....	7,615,072
St. Mary's River Bridge Company—Shares.....	1,370
Conservation Authorities—Recoverable Grants.....	58,398
	<hr/>
	\$26,007,086
	<hr/>

During the year under review Co-operative Loans were reduced by a net amount of \$1,167 and \$50,000 of the Sandwich, Windsor and Amherstburg Railway Company debentures were redeemed.

Under authority of The Public Hospitals Act, sec. 5a, the Province advanced \$9,377,000 to the Ontario Hospital Services Commission for the purpose of making loans to hospitals. During the year under review, \$129,313 was repaid. The hospitals are required to repay the loans to the Commission with interest at 3% per annum.

Bonds of the Sandwich, Windsor and Amherstburg Railway Company, the International Bridge Authority of Michigan and shares of the St. Mary's River Bridge Company, all held for safekeeping in the Securities Branch of the Treasury Department, were confirmed by actual count as at March 31, 1966.

Certain grants made to Conservation Authorities under section 42 of The Conservation Authorities Act are recoverable in whole or in part from the Authorities. A transfer of \$58,398 has been made from General Works and

Improvements to Miscellaneous Loans to record the recoverable portion of these grants as at March 31, 1966. In the case of the Crowe Valley Conservation Authority, Order in Council 765 of 1965 indicated that a 100% grant was to be made on an estimated cost of \$13,225 and that 25% thereof was to be recovered in three instalments, commencing in 1965. Order in Council 846 of 1965, also dealing with the Crowe Valley Conservation Authority, indicated that a 100% grant was to be made on an estimated cost of \$8,750 and that the grant was to be 100% recoverable in three instalments commencing in 1965. No payment was received in 1965-66 from the Crowe Valley Conservation Authority to apply on these Orders.

GOVERNMENT OF CANADA—\$4,300,955

DEBT ACCOUNT.....	\$2,848,290
COMMON SCHOOL FUND.....	1,452,665
	<u>\$4,300,955</u>

These two accounts, detailed in my report for 1963-64, remain unchanged. Interest at 5% has been received from the Government of Canada in 1965-66 in accordance with existing arrangements.

HIGHWAYS, BUILDINGS, ETC.—\$3,019,775,728

Highways and Roads—Capital Disbursements.....	\$2,595,084,098	
Less—Capital Disbursements to March 31, 1936, written off.....	219,776,917	\$2,375,307,181
Rural Power Transmission Lines—Bonus 1927-66.....	\$ 116,985,553	
Less—Capital Disbursements to March 31, 1936, written off.....	7,733,243	109,252,310
Land, Buildings, Public Works, etc.....	\$ 546,220,923	
Less—Value of land and buildings turned over to the University of Guelph, authority The University of Guelph Amendment Act, 1965.....	30,106,617	516,114,306
The Niagara Parks Commission—Equity (October 31, 1965).....		9,277,263
The St. Lawrence Parks Commission—Equity (March 31, 1966).....		9,824,668
		<u>\$3,019,775,728</u>

During the year under review the investment in Highways and Roads was increased by \$240,043,859 as shown below:

Capital Disbursements on highways.....	\$238,548,231	
mining roads.....	1,408,151	
logging and access roads...	769,380	\$240,725,762
Less: Capital Receipts applied to:		
highways.....	\$ 354,817	
logging roads.....	327,086	681,903
		<u>\$240,043,859</u>

Highways and Roads built prior to March 31, 1936 have been replaced or reconstructed to such an extent that the original cost of construction is now considered to have little value and has been written off. During the year under review highway capital disbursements for the twelve-month period ended March 31, 1936, in the amount of \$8,657,633, were written off through Surplus Account.

A bonus of \$578,976 for Rural Primary and Secondary Lines, under The Rural Hydro-Electric Distribution Act, was paid during the year bringing the accumulated disbursements to \$116,985,553. The lines built prior to March 31, 1936 have been substantially rebuilt or replaced and therefore bonuses paid to that date have been written off through Surplus Account. Bonuses amounting to \$305,000 for the twelve-month period ended March 31, 1936 were charged to Surplus Account during the year under review.

The value of Land, Buildings, Public Works, etc. was increased during the year by a net amount of \$12,589,075 composed of:

Net additions—Land and Buildings.....	\$ 36,586,814
General Works and Improvements.....	2,984,498
Provincial Parks.....	3,124,380
	<u>\$ 42,695,692</u>
Deduct—Land and Buildings turned over to the University of Guelph....	30,106,617
	<u><u>\$12,589,075</u></u>

No depreciation has been accrued on Land, Buildings, Public Works, etc.

As at October 31, 1965 the balance sheet of The Niagara Parks Commission showed an equity account of \$9,277,263 which has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

As at March 31, 1966 the balance sheet of The St. Lawrence Parks Commission showed assets of \$9,824,668. This includes an amount of \$248,557 representing expenditures for assets for which funds were provided by the Province through Ordinary Account during the year under review. This latter amount has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

LIQUOR CONTROL BOARD OF ONTARIO—

INVESTMENT—\$24,985,224

This investment represents the Surplus of the Board as at March 31, 1966 retained to finance its operations. Details of this investment are shown on page 59 of the Public Accounts for 1965-66. This asset has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

OTHER LOANS AND ADVANCES—\$261,786

Home Bank (in liquidation).....	\$213,000
Settlers' Loans.....	48,786
	<u>\$261,786</u>

The items in this group have been segregated because they are in arrears or in default. The only change in these accounts during the year under review was the repayment of \$520 on Settlers' Loans.

DISCOUNT AND EXCHANGE ON DEBENTURES

(less amount amortized)—\$16,815,150

Discount and exchange on new issues during the year amounted to \$3,095,000. Discount and exchange on debentures are amortized over the term of the related issue. During the year under review the amortization amounted to \$1,832,260 as shown in the Statement of Amortization of Discount and Exchange on Debentures in the Public Accounts for 1965-66 on page 60.

ACCOUNTS RECEIVABLE (less Reserve)—\$65,071,807

Departmental Accountants submitted details of accounts receivable. The above-mentioned amount is the net total of accounts receivable of all Departments of the Province after the deduction of reserves for doubtful accounts. The reserves provided are considered to be adequate.

This asset has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

ACCRUED INTEREST ON ADVANCES SECURED BY BONDS—

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—\$3,010,245

This amount represents interest accrued but not due at March 31, 1966 on the advances of \$384,466,000 referred to earlier in this report. An adjustment effected through Surplus Account brought the accrued interest on the balance sheet of the Province.

INTEREST RECEIVABLE (less Reserve)—THE AGRICULTURAL DEVELOPMENT
FINANCE ACT—\$252,000

The amount of \$1,317,000 was owing to the Treasurer of Ontario, as at March 31, 1965, for interest due on the former debentures of the Agricultural Development Board. A reserve amounting to \$1,000,000 is provided since the books of the borrower show a deficit. A payment of \$65,000 was received during the year under review. The balance of \$252,000 has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

EQUIPMENT, STORES AND MATERIALS (less Reserve)—\$12,841,366

Inventories of equipment, stores and materials were compiled by Departmental Accountants on a basis not exceeding cost. Reserves deemed adequate to reduce the gross inventory to a conservative valuation were deducted. The net figure of \$12,841,366 was brought on the balance sheet of the Province by an adjustment through Surplus Account.

LIABILITIES

FUNDED DEBT—\$2,085,365,039

Stock and Debentures	\$2,225,646,002
Less—Sinking Fund	140,280,963
	<u>\$2,085,365,039</u>

The stock and debentures outstanding at March 31, 1966 were held as follows:

In the Hands of the Public	\$2,134,707,002
In the Sinking Fund of the Province	90,939,000
	<u>\$2,225,646,002</u>

During the year the Province issued debentures amounting to \$371,880,830. In the same period maturities amounted to \$142,009,828 and, in addition, \$2,332,000 relating to The Hydro-Electric Power Commission of Ontario bonds held as collateral were redeemed prior to maturity. Details of Stock and Debentures outstanding at March 31, 1966 are shown on pages 64-68 of the Public Accounts for 1965-66.

The Sinking Fund consists of investments in securities with a par value of \$136,672,000, held for safekeeping in the Securities Branch of the Treasury Department, and uninvested funds of \$3,608,963 which are on deposit with the Treasurer of Ontario in the Consolidated Revenue Fund. During the year under review \$41,500,000 was provided through Ordinary Account and credited to the Fund and a net charge was made to the Fund in the amount of \$56,040,330 for debentures matured and retired. A summary of Sinking Fund and its investments as at March 31, 1966 is shown in the Public Accounts for 1965-66 on page 63. The securities held for the Fund were verified by actual count and the uninvested funds on deposit were verified from the records of the Treasury Department as at March 31, 1966.

UNFUNDED DEBT—\$423,621,213

DEMAND DEPOSITS WITH PROVINCE OF ONTARIO SAVINGS OFFICE—\$79,994,941

This amount is made up of current deposits of \$79,900,669 and unclaimed balances of \$94,272. The accounts are carried by 21 branches of the Savings Office throughout the Province. The liability of the Savings Office to depositors is similar to the liability of a chartered bank in regard to savings deposits.

The Agricultural Development Finance Act empowered the Treasurer of Ontario to borrow money by means of deposits and to open offices throughout Ontario for this purpose. Moneys borrowed by way of these deposits may be used for the general purposes of the Province.

SPECIAL FUNDS—\$283,128,630

PUBLIC SERVICE SUPERANNUATION FUND—\$224,934,855

During the year under review \$44,772,417 was received by the Public Service Superannuation Fund and disbursements amounted to \$16,896,450 leaving a balance of \$224,934,855 on deposit with the Treasurer of Ontario. The receipts include the transfer of the balance remaining in the Public Service Retirement Fund as at March 31, 1965.

OTHER—\$58,193,775

A complete listing of Special Funds—Other is shown on page 71 of the Public Accounts for 1965-66. During the year under review the net increase in these funds was \$15,585,261 due mainly to \$12,000,000 from Ordinary Account deposited to the credit of the Ontario Hospital Services Commission in 1965-66, a net increase of \$4,094,838 in funds held for the Motor Vehicle Accident Claims Fund, a net increase in funds held for the Ontario Municipal Employees Retirement Fund \$900,000, a net increase of \$1,643,520 in funds held re Vacation-with-Pay Stamps Trust Account, and a payment of \$3,520,000 from funds held for the Ontario Research Foundation.

PROVINCIAL CROWN CORPORATIONS—LIABILITIES—\$57,692,523

HOUSING CORPORATION LIMITED—\$92,056

A bank loan of \$87,000 guaranteed by the Province is the main liability of the Corporation. This loan was reduced \$350,000 during the year under review.

ONTARIO HOUSING CORPORATION—LIABILITIES—\$16,139,220

The chief liabilities of the Corporation as at December 31, 1965 were:

Mortgage Loans—Central Mortgage and Housing Corporation.....	\$14,292,497
Hold-backs on construction contracts.....	510,210
Accounts payable, accrued liabilities, deferred revenue, etc.....	885,835
Mortgages assumed on the purchase of Highway 401 properties.....	322,809

In addition, the Corporation had a liability to the Treasurer of Ontario for advances, previously referred to in this report, in the amount of \$30,068,291. This advance has been eliminated by contra in the preparation of the balance sheet of the Province.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN CORPORATION—

LIABILITIES—\$12,892,412

The main liabilities of the Corporation are 4½% debentures for \$11,000,000 maturing October 1, 1976, and a bank overdraft of \$1,593,070. Both items are guaranteed by the Province.

In addition, the Corporation is indebted to the Treasurer of Ontario for an advance of \$30,589,569. This advance, bearing interest at 6% per annum, has been eliminated by contra in the preparation of the balance sheet of the Province.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

LIABILITIES—\$28,514,699

Debentures of the Corporation, guaranteed by the Province, outstanding at March 31, 1966 in the amount of \$28,000,000 and accrued interest thereon of \$514,699 comprise the liabilities of the Corporation to the Public. An advance of \$18,037,500 from the Treasurer of Ontario has been eliminated by contra from the balance sheet of the Province.

THE ONTARIO UNIVERSITIES CAPITAL AID CORPORATION—

LIABILITIES—NIL

The only liability of the above-mentioned corporation is for advances from the Treasurer of Ontario in the amount of \$134,209,774, bearing interest at $5\frac{1}{2}\%$, which have been eliminated by contra from the balance sheet of the Province.

THE SHERIDAN PARK CORPORATION—LIABILITIES—\$54,136

The liabilities of The Sheridan Park Corporation consist of accrued liabilities \$44,756 (after elimination of \$54,750 interest received by the Treasurer of Ontario as at March 31, 1966), holdback on services contract \$3,380 and a security deposit on offer to purchase for \$6,000.

In addition, the Corporation has an advance from the Treasurer of Ontario of \$1,825,000, bearing interest at 6%. This advance has been eliminated by contra from the balance sheet of the Province.

MISCELLANEOUS—\$2,805,119

This amount represents the balance outstanding as at March 31, 1966 on two mortgages. On 880 Bay Street \$849,778 was outstanding. This mortgage, due to be retired in 1975, bears interest at $5\frac{1}{2}\%$ per annum. The other mortgage, relating to 135 St. Clair Avenue West, had \$1,955,341 outstanding. This latter mortgage bears interest at 7% and matures in 1989.

ACCOUNTS PAYABLE—\$1,924,532

Accountants of the various Departments submitted details of the above accounts payable. The liability has been brought on the balance sheet of the Province by an adjustment through Surplus Account. The chief amount is \$1,044,406 representing prepayments and timber deposits of the Department of Lands and Forests.

ACCRUED INTEREST ON FUNDED DEBT—\$30,243,276

Interest accrued, but not due at March 31, 1966, on debentures issued by the Province outstanding in the hands of the Public, was \$30,243,276. This liability has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

The \$10,275 provision held in this account for interest coupons matured prior to November 1, 1932 and not presented for payment at March 31, 1966 has been transferred to Reserves Account where it is held against presentation of outstanding coupons.

RESERVES—\$9,857,301

Reserves have increased during the year by a net amount of \$456,201. The main changes were an increase in The Ontario Municipal Improvement Corporation General Reserve of \$702,813 and a charge of \$326,968 to the Reserve for Farm Loans. A detailed list of the Reserves is shown on page 72 of the Public Accounts for 1965-66.

SURPLUS—\$1,724,784,480

The net increase in Surplus Account for the year under review was \$270,108,669. The principal items were as follows:

	Decrease	Increase
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....		\$227,000,000
Provision for Sinking Fund.....		41,500,000
Surplus on Ordinary Account.....		1,095,747
Ordinary Expenditure capitalized— The St. Lawrence Parks Commission.....		248,557
Setting up property bequeathed to the Province at net realized value.....		112,947
Repayments re Seed Grain Loans, etc.....		421
Land and Buildings turned over to the University of Guelph Highway Capital Disbursements for the year ended March 31, 1936—written off.....	\$ 30,106,617	
Rural Power Transmission Lines Bonus—for the year ended March 31, 1936—written off.....	8,657,633	
Repayment to Government of Canada under Tax Rental Agreement, 1952-56.....	305,000	
Sundry adjustments—Provincial Crown Corporations.....	293,973	
Ontario Water Resources Commission—advances written off	450,069	
Year-end adjustments—inventories, accounts receivable, accounts payable, etc.....	5,999	
	104,275,048	144,245,336
	<u>\$144,094,339</u>	<u>\$414,203,008</u>
Net increase in Surplus.....	270,108,669	
	<u>\$414,203,008</u>	<u>\$414,203,008</u>

Details of the changes in Surplus Account for the year are shown in the Public Accounts for 1965-66 on pages 8-9.

CONTINGENT LIABILITIES—\$1,752,182,354

Bonds, etc., guaranteed by the Province of Ontario.....	\$1,775,515,354
Less—Held in Sinking Fund.....	23,333,000
	<u>\$1,752,182,354</u>

Contingent Liabilities are shown in the Public Accounts for 1965-66 on pages 84-86. Guaranteed bonds held in the Sinking Fund of the Province have been deducted.

The contingent liabilities decreased during the year by a net amount of \$1,646,804. The principal item was a decrease of \$1,296,346 in guarantees for the indebtedness of Co-operative Associations.

CHARTS AND STATEMENTS

Charts showing the trend in Gross and Net Debt and in Net Ordinary Revenue and Expenditure for the ten years ended March 31, 1966 are appended to this report on pages 40-41. Charts showing the trend in certain major items of Net Ordinary Revenue and Expenditure appear on pages 42-45 of this report. A chart showing comparisons between Estimated and Actual Net Ordinary Voted Expenditure for the ten years ended March 31, 1966 and a chart showing comparisons between Estimated and Actual Net Capital Voted Expenditure for the ten years ended March 31, 1966 are appended on pages 46-47.

The following statements for the fiscal year April 1, 1965 to March 31, 1966 will be found on pages 48-61.

Source and Application of Funds

Debentures of Ontario Municipalities and School Boards held by The Ontario Municipal Improvement Corporation as at March 31, 1966

Comparative Statement of Net Interim and Actual Ordinary Revenue

Comparative Statement of Net Interim and Actual Ordinary Expenditure

Comparative Summary of Net Interim and Actual Ordinary Revenue and Ordinary Expenditure

Comparative Statement of Net Interim and Actual Capital Receipts

Comparative Statement of Net Interim and Actual Capital Disbursements

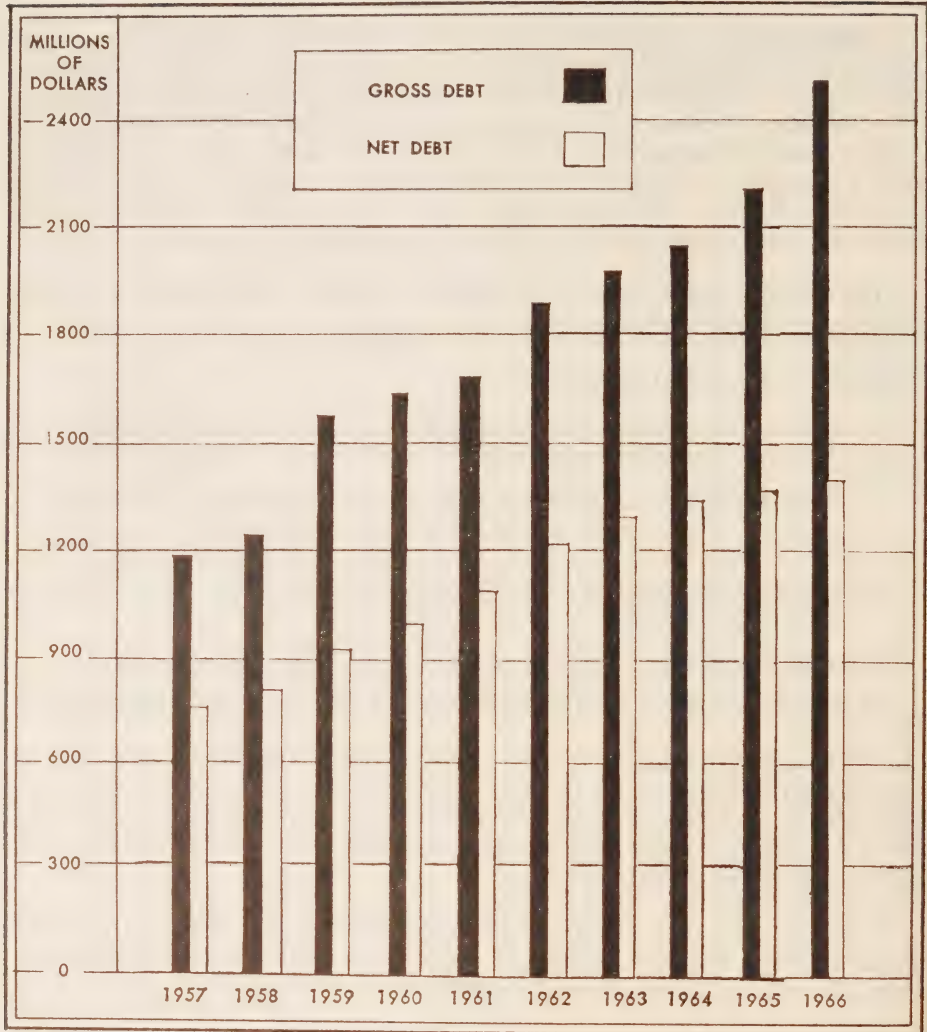
Statements showing details of Treasury Board Orders issued for the authorization of expenditures in excess of appropriations during the fiscal year ended March 31, 1966 and Special Warrants issued during the fiscal year ended March 31, 1966 are submitted in separate sections immediately following the statements referred to above.

I am very pleased to have this opportunity to acknowledge the willing co-operation and effective help of the officials and staff of the various Departments, Boards and Commissions during the conduct of the audit.

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Toronto, November 25, 1966.

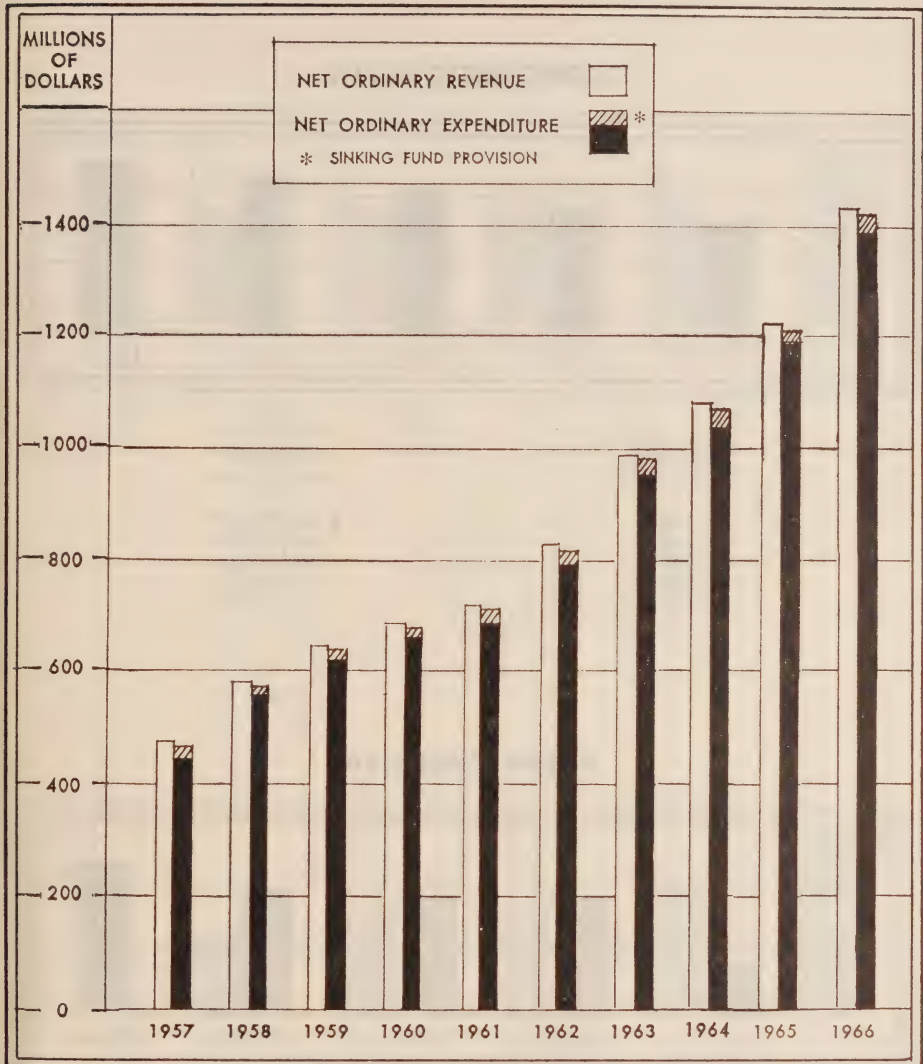
**GROSS AND NET DEBT
FOR THE TEN YEARS ENDED MARCH 31, 1966**



Gross and Net Debt per Public Accounts

YEAR ENDED MARCH 31	GROSS DEBT	NET DEBT
1957	\$1,196,707,469	\$758,277,702
1958	1,285,809,989	818,606,441
1959	1,579,113,325	900,532,098
1960	1,642,671,624	993,554,760
1961	1,695,504,283	1,092,616,819
1962	1,884,972,861	1,209,063,700
1963	1,979,374,560	1,284,104,122
1964	2,057,963,807	1,344,744,148
1965	2,218,257,501	1,365,328,924
1966	2,508,986,252	1,380,504,672

**NET ORDINARY REVENUE AND EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1966**

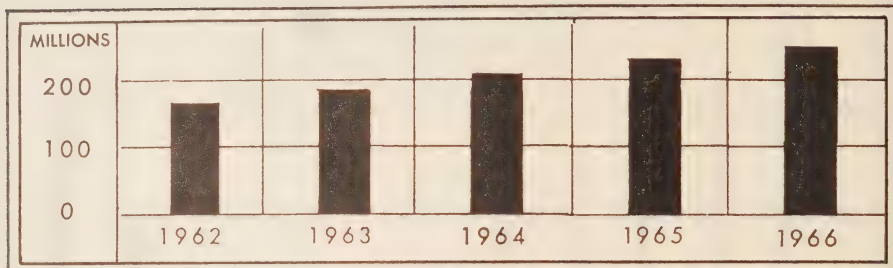


YEAR ENDED MARCH 31	NET ORDINARY REVENUE	NET ORDINARY EXPENDITURE	*SINKING FUND PROVISION
1957	\$ 479,783,191	\$ 477,978,640	\$ 40,729,000
1958	591,849,092	590,983,062	17,833,000
1959	642,374,233	642,070,163	17,941,000
1960	702,469,593	701,605,902	31,054,000
1961	739,391,410	739,000,383	33,822,000
1962	825,352,009	824,849,622	35,802,000
1963	993,611,901	993,033,254	39,000,000
1964	1,079,135,679	1,078,181,209	41,500,000
1965	1,237,244,493	1,236,803,817	40,000,000
1966	1,442,845,159	1,441,749,412	41,500,000

*Included in Net Ordinary Expenditure.

**MAJOR ITEMS OF NET
COMPARED FOR THE FIVE**

CORPORATIONS TAX

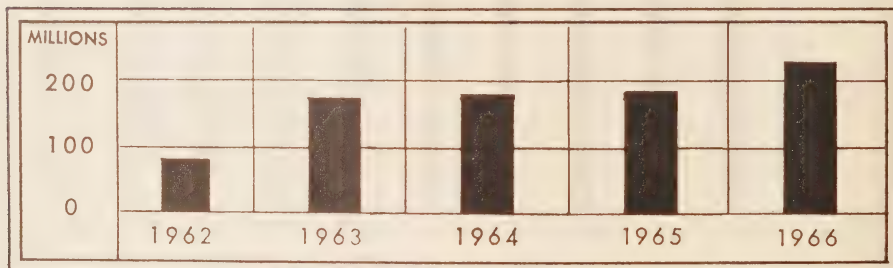


YEAR ENDED
MARCH 31

AMOUNT

1962	.....	\$ 165,854,287
1963	.....	185,717,994
1964	.....	209,672,035
1965	.....	232,543,374
1966	.....	252,375,741

RETAIL SALES TAX*



YEAR ENDED
MARCH 31

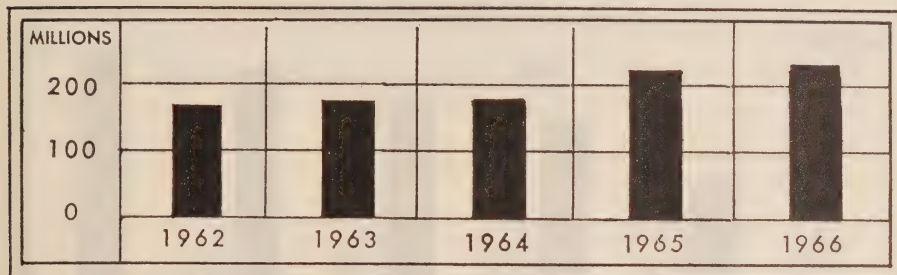
AMOUNT

1962	.....	\$ 78,746,682
1963	.....	175,714,557
1964	.....	186,534,521
1965	.....	195,298,715
1966	.....	220,998,196

*Revenue under The Retail Sales Tax Act, 1960-61 commenced as of September 1, 1961.

ORDINARY REVENUE
YEARS ENDED MARCH 31, 1966

GASOLINE TAX

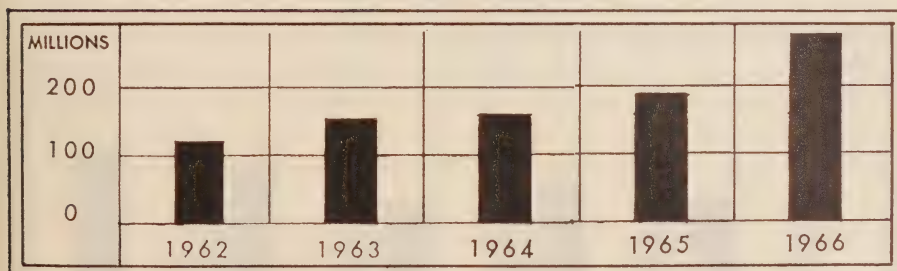


YEAR ENDED
MARCH 31

AMOUNT

1962	.....	\$ 165,193,317
1963	.....	173,135,315
1964	.....	183,649,850
1965	.....	221,188,555
1966	.....	236,829,198

INCOME TAX



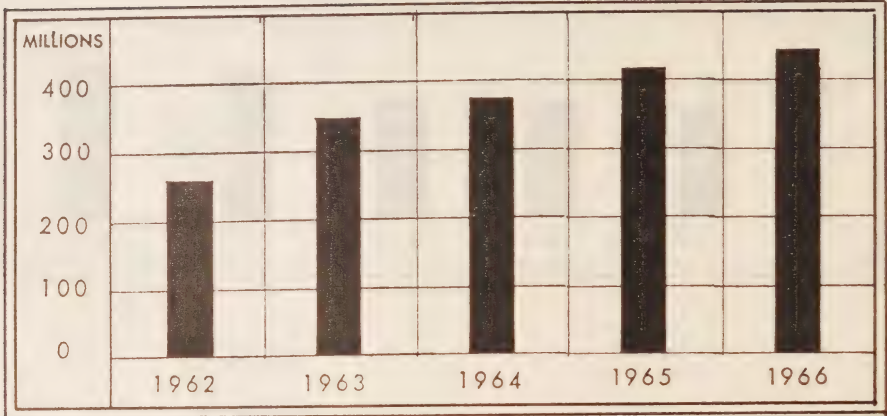
YEAR ENDED
MARCH 31

AMOUNT

1962	.....	\$ 120,651,639
1963	.....	151,844,240
1964	.....	164,369,708
1965	.....	195,842,112
1966	.....	292,403,842

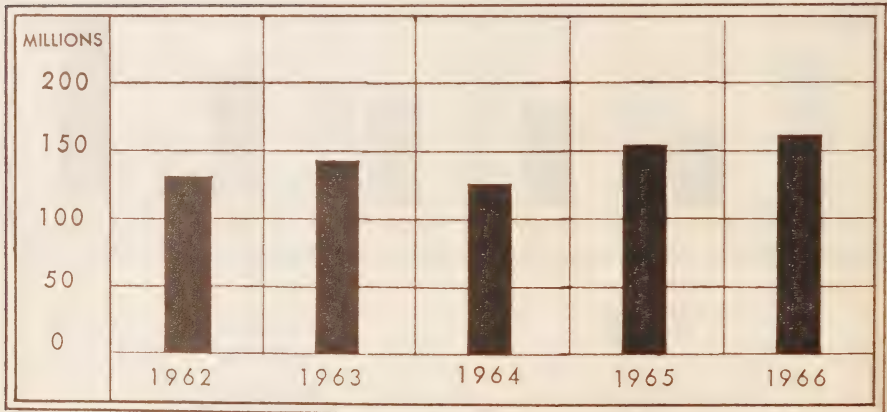
MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

EDUCATION



YEAR ENDED MARCH 31	AMOUNT
1962	\$261,723,044
1963	348,367,974
1964	381,041,328
1965	416,852,568
1966	443,520,605

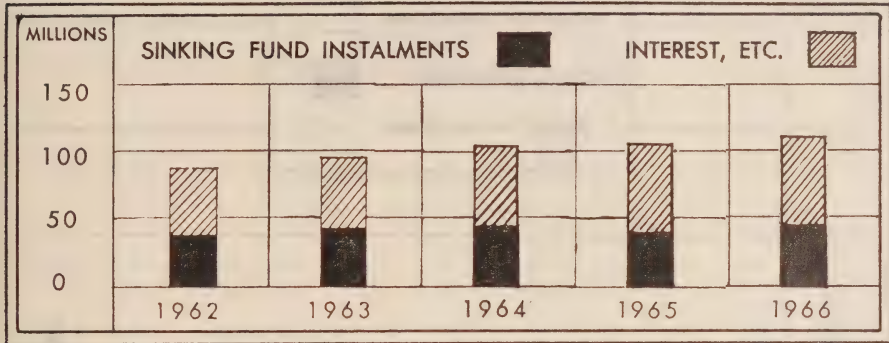
HEALTH SERVICES



YEAR ENDED MARCH 31	AMOUNT
1962	\$130,316,189
1963	144,302,638
1964	122,025,920
1965	154,601,128
1966	164,044,765

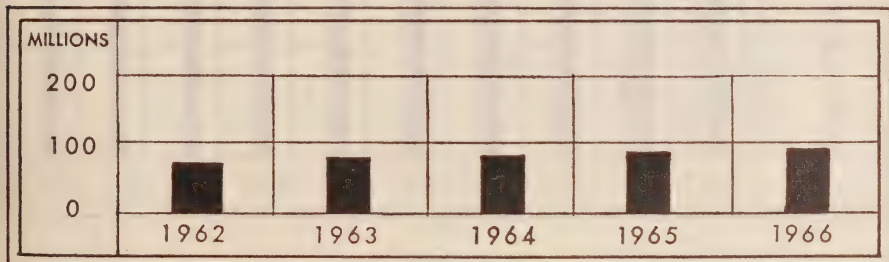
ORDINARY EXPENDITURE
YEARS ENDED MARCH 31, 1966

PUBLIC DEBT



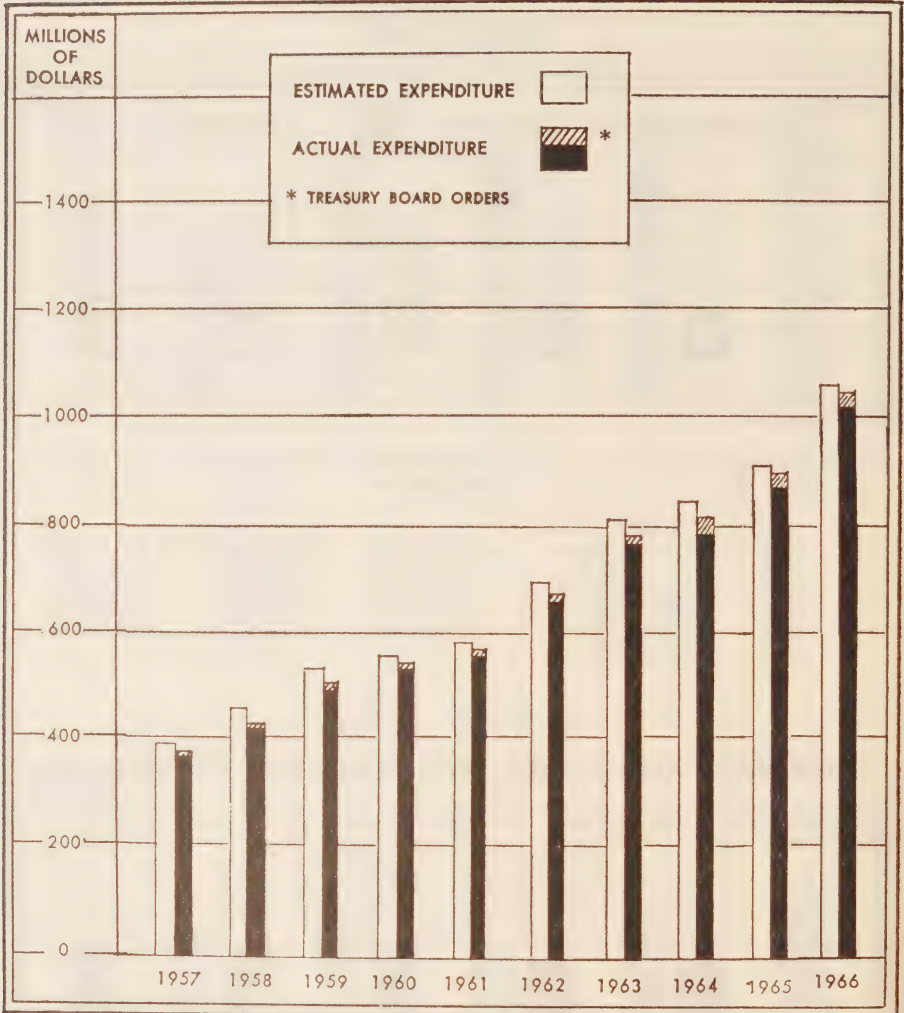
YEAR ENDED MARCH 31	SINKING FUND INSTALMENTS	INTEREST, ETC.	TOTAL
1962	\$35,802,000	\$50,313,662	\$ 86,115,662
1963	39,000,000	57,406,874	96,406,874
1964	41,500,000	60,739,257	102,239,257
1965	40,000,000	62,440,778	102,440,778
1966	41,500,000	63,174,702	104,674,702

HIGHWAYS AND ROADS, MAINTENANCE, GRANTS, Etc.



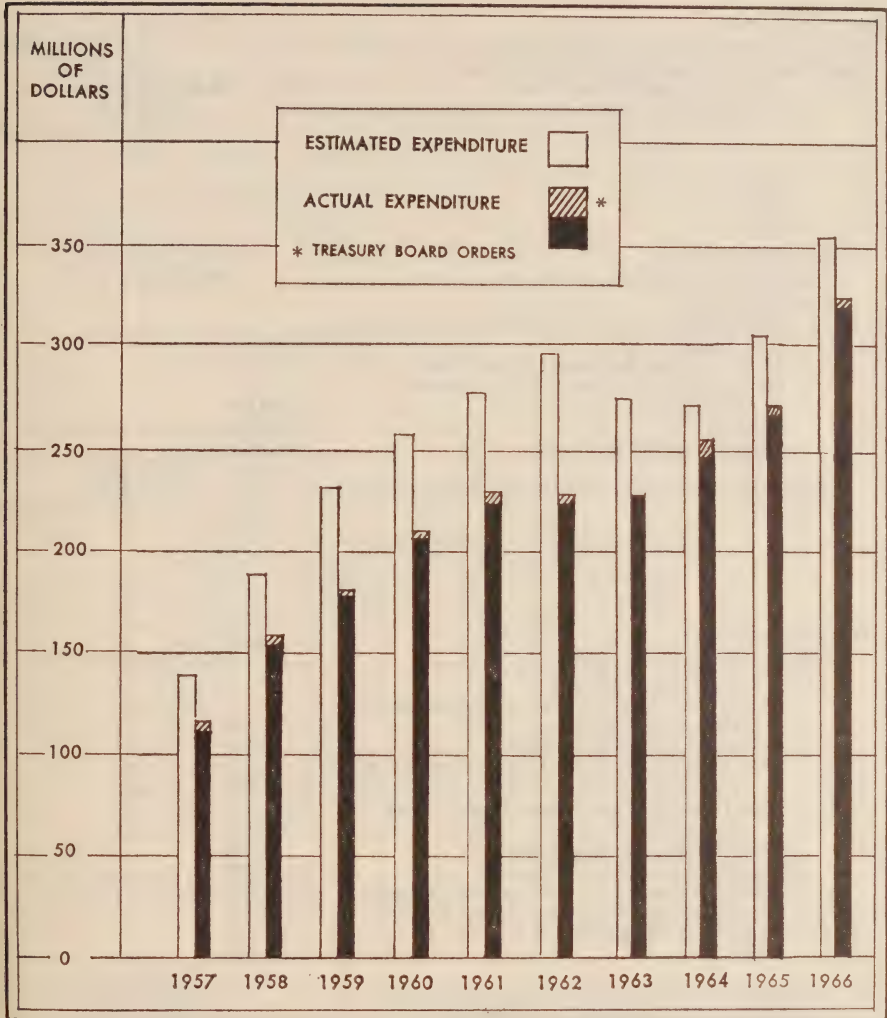
YEAR ENDED MARCH 31	AMOUNT
1962	\$73,665,402
1963	78,784,248
1964	81,579,733
1965	88,538,129
1966	97,567,588

**ESTIMATED NET ORDINARY VOTED EXPENDITURE
COMPARED WITH ACTUAL NET ORDINARY VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1966**



YEAR ENDED MARCH 31	ESTIMATED NET ORDINARY VOTED EXPENDITURE	ACTUAL NET ORDINARY VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1957	\$ 390,372,000	\$ 374,572,562	\$ 3,268,081	\$ 377,840,643
1958	455,108,500	428,260,609	7,020,270	435,280,879
1959	531,676,500	506,037,469	5,075,319	511,112,788
1960	561,796,000	535,551,563	6,385,557	541,937,120
1961	588,203,400	558,082,501	7,842,746	565,925,247
1962	687,030,500	649,736,213	10,573,093	660,309,306
1963	802,135,000	765,599,893	10,696,506	776,296,399
1964	834,456,000	789,664,393	18,103,088	807,767,481
1965	911,041,200	876,567,197	31,926,320	908,493,517
1966	1,057,151,600	1,009,034,002	41,561,165	1,050,595,167

**ESTIMATED NET CAPITAL VOTED EXPENDITURE
COMPARED WITH ACTUAL NET CAPITAL VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1966**



YEAR ENDED MARCH 31	ESTIMATED NET CAPITAL VOTED EXPENDITURE	ACTUAL NET CAPITAL VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1957	\$142,008,000	\$114,315,129	\$4,956,458	\$119,271,587
1958	188,044,000	150,851,738	4,594,280	155,446,018
1959	230,810,000	178,876,677	743,400	179,620,077
1960	258,127,000	207,399,300	1,637,177	209,036,477
1961	275,600,000	225,839,595	4,880,319	230,719,914
1962	298,009,000	227,725,859	519,719	228,245,578
1963	275,392,000	229,084,116	.....	229,084,116
1964	273,375,000	248,303,551	7,558,276	255,861,827
1965	303,707,000	269,871,194	3,168,158	273,039,352
1966	353,177,000	316,824,579	4,765,412	321,589,991

**SOURCE AND
For Fiscal Year**

SOURCE OF FUNDS—

Excess of Ordinary Revenue over Ordinary Expenditure.....	\$ 1,095,747
Add: Items not requiring an outlay of funds:	
Provision for Sinking Fund.....	\$ 41,500,000
Discount and Exchange on Debentures, written off.....	1,832,260
	43,332,260

Increase in Liabilities:

Debentures Issued (net of discount).....	\$367,628,331
Special Funds:	
Public Service Superannuation and Retirement	
Funds (net).....	\$26,469,765
Motor Vehicle Accident Claims Fund.....	4,094,838
Ontario Hospital Services Commission—	
Special Account.....	12,000,000
Other (net).....	1,366,903
Vacation-with-Pay Stamps.....	1,643,520
	45,575,026
Bequests, Scholarships and Outstanding Cheques (net).....	52,929
	413,256,286

Decrease in Assets:

Temporary Investments (net).....	\$ 3,204,850
Loans and Advances Repaid—	
The Hydro-Electric Power Commission of	
Ontario.....	\$ 3,991,670
Ontario Housing Corporation.....	137,660
The Ontario Municipal Improvement Cor-	
poration.....	2,582,000
The Ontario Universities Capital Aid Cor-	
poration.....	629,526
The Sheridan Park Corporation.....	175,000
Provincial Student-Aid Loans.....	1,273,282
The Municipality of Metropolitan Toronto...	591,000
The Municipal Works Assistance Act, 1963...	10,613,534
The Public Hospitals Act, Sec. 5a.....	129,313
Other.....	2,008,629
	22,131,614
Proceeds from Sinking Fund Investments matured.....	26,236,500
Sale of Capital Assets and Recoveries.....	1,401,187
Other.....	6,175
	52,980,326
	\$510,664,619

APPLICATION OF FUNDS

ended March 31, 1966

APPLICATION OF FUNDS—

Investment in Physical Assets:

Highways.....	\$238,548,231	
Mining and Access Roads, etc.....	2,177,531	
		\$240,725,762
Land and Buildings.....	\$ 34,730,420	
Municipal Drainage, Dams, Docks, etc.....	848,045	
		35,578,465
Rural Power Transmission Lines.....		578,976
Conservation Projects, etc.....		2,889,762
Special Projects re Townsites.....		20,888
Commuter Rail Project.....		30,987
Provincial Parks.....		3,124,380
		\$282,949,220
Less—Financed out of Ordinary Revenue.....		227,000,000
		<u>\$ 55,949,220</u>

Increase in Other Assets:

Cash on Hand and in Banks.....	\$ 39,639,365	
Loans and Advances:		
The Hydro-Electric Power Commission of Ontario—		
Secured Advance, less Discount assumed	\$ 48,842,500	
Unsecured Advance re Nuclear Powered Generating Station.....	1,799,786	
Ontario Housing Corporation.....	9,250,000	
The Ontario Junior Farmer Establishment Loan Corporation.....	20,900,000	
The Ontario Municipal Improvement Corporation.....	3,000,000	
The Ontario Universities Capital Aid Corporation.....	89,239,300	
Ontario Water Resources Commission.....	8,151,933	
The Municipality of Metropolitan Toronto..	20,000,000	
The Municipal Works Assistance Act, 1963..	40,732,664	
The Public Hospitals Act, Sec. 5a.....	9,377,000	
Other.....	2,736,152	
		254,029,335
Uninvested Sinking Funds.....		761,170
Sinking Fund Investments Purchased.....		10,935,000
		<u>305,364,870</u>

Decrease in Liabilities:

Demand Deposits with Province of Ontario Savings Office (net) \$	1,080,071	
Debentures Retired through Sinking Fund.....	56,040,330	
Debentures Retired at Maturity.....	88,301,498	
Ontario Research Foundation—Re Sheridan Park.....	3,520,000	
Miscellaneous—Mortgage Principal.....	114,657	
		149,056,556
Repayment to Government of Canada under Tax Rental Agreement, 1952-56 ..		293,973
		<u>\$510,664,619</u>

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1966**

NAME	PURPOSE	PAR VALUE
Acton, Town of.....	Water, Sewers and Schools \$	440,900.00
Ajax, Town of.....	Schools.....	96,500.00
Ajax, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	51,400.00
Alborton, Township of.....	Schools.....	91,600.00
Albion, Township of—Board of Trustees of Roman Catholic Separate School Section No. 8.....	Schools.....	29,400.00
Alliston, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	49,000.00
Amherstburg, Town of.....	Schools.....	144,400.00
Ancaster, Township of.....	Schools.....	27,000.00
Anderdon and Sandwich West, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2 and 8.....	Schools.....	12,800.00
Armstrong, Township of—Public School Board of School Section No. 1.....	Schools.....	51,500.00
Atikokan, Township of.....	Water, Sewers and Schools	407,900.00
Aurora, Town of.....	Water, Sewers and Schools	465,600.00
Aurora, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	126,900.00
Aweres, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	47,500.00
Aylmer, Town of and Malahide, Township of.....	Schools.....	115,000.00
Badgerow, Field, Gibbons and Grant, Townships of— Board of Trustees of Roman Catholic Union Sepa- rate School, United Sections Nos. 1; 1; 1, 2 and 4; and 1.....	Schools.....	165,200.00
Bala, Town of.....	Schools.....	45,900.00
Balfour, Township of.....	Schools.....	87,900.00
Bancroft, Village of.....	Schools.....	73,000.00
Bancroft, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	81,100.00
Barclay, Improvement District of.....	Schools.....	139,300.00
Barrie, City of—Board of Trustees of Roman Catholic Separate School Section No. 12.....	Schools.....	53,000.00
Bath, Village of.....	Water.....	27,000.00
Baxter, (Unorganized) Township of—Public School Board of School Section No. 2.....	Schools.....	33,800.00
Beardmore, Improvement District of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	46,500.00
Bertie, Township of.....	Water.....	45,000.00
Bicroft, Improvement District of.....	Water, Sewers and Schools	460,100.00
Bicknell, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	4,800.00
Black River, Township of.....	Water and Sewers.....	33,900.00
Blenheim, Township of—Board of Trustees of Roman Catholic Separate School Section No. 21.....	Schools.....	31,600.00
Blezard, Township of.....	Schools.....	58,600.00
Blind River, Town of.....	Water, Sewers and Schools	979,805.08
Blind River, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	355,300.00
Bolton, Village of.....	Schools.....	38,100.00
Bonfield, Township of.....	Schools.....	62,900.00
Bosanquet, Township of.....	Schools.....	259,600.00
Bothwell, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	35,500.00
Bracebridge, Town of.....	Water and Schools.....	548,200.00
Braeside, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	33,100.00
Brampton, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	82,800.00
Brantford, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	284,400.00
Britton, Wainwright and Zealand—Public School Board of the Township School Area.....	Schools.....	77,400.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1966**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Broder, (Unorganized) Township of—Public School Board of Section No. 2.....	Schools.....	\$ 83,700.00
Broder, (Unorganized) Township of—Public School Board of Section No. 3.....	Schools.....	57,344.92
Broder and Dill, Townships of—Board of Public School Trustees, Union School Section No. 1.....	Schools.....	95,400.00
Broder and Dill, Townships of—Board of Trustees of Roman Catholic Separate School, United Sections Nos. 1 and 1.....	Schools.....	70,200.00
Bruce Mines, Town of.....	Schools.....	82,800.00
Brudenell and Lyndoch and Radcliffe Union, Townships of—Board of Trustees of Roman Catholic Union Separate Schools, United Sections Nos. 3 and 3.....	Schools.....	14,700.00
Brunel, Township of.....	Schools.....	32,800.00
Burchell Lake, Public School Board of School Section No. 1.....	Schools.....	34,300.00
Burk's Falls, Village of.....	Schools.....	322,300.00
Burlington, Town of.....	Schools.....	633,000.00
Burlington, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	297,050.00
Burlington-Nelson, Board of Management Inter-Urban Area of.....	Water.....	103,000.00
Caledonia, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	27,700.00
Calvert, Township of.....	Water, Sewers and Schools	134,200.00
Calvert, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 1 and 4.....	Schools.....	160,800.00
Calvert, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	107,900.00
Capreol, Town of.....	Water and Sewers.....	16,800.00
Carew and Cavell, Townships of—Board of Public School Trustees of Union School Section No. 1....	Schools.....	24,300.00
Carnarvon, Township of.....	Schools.....	110,900.00
Casgrain, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	27,700.00
Cayuga, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	20,400.00
Chapleau, Township of.....	Sewers.....	117,000.00
Chatham, Township of.....	Water.....	16,100.00
Chelmsford, Town of.....	Water and Schools.....	17,600.00
Chippawa, Village of.....	Water, Sewers and Schools	535,300.00
Chippawa, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	86,200.00
Christie, Township of.....	Schools.....	29,180.00
Cobalt, Town of.....	Schools.....	164,200.00
Cobden, Village of.....	Water and Sewers.....	28,000.00
Cobden, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	16,508.00
Cochrane, Town of.....	Sewers.....	43,000.00
Colchester North, Township of.....	Schools.....	68,900.00
Colchester North, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2 and 5.....	Schools.....	24,800.00
Conger and Cowper, Townships of—Board of Public School Trustees, Union School Section No. 4.....	Schools.....	14,400.00
Conmee, Township of.....	Schools.....	34,800.00
Connell and Ponsford—Public School Board of the Township School Area.....	Schools.....	136,300.00
Crystal Beach, Village of.....	Water and Sewers.....	66,600.00
Crystal Beach, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	32,500.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1966**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Dawson Road, Forbes and Goldie, Township School Area of—Public School Board.....	Schools.....	\$ 37,900.00
DeRoche, Jarvis, Hodgins, Gaudette and Shields—Public School Board of the Township School Area..	Schools.....	11,500.00
Dill and Cleland, Townships of—Public School Board of Sections Nos. 3 and 1.....	Schools.....	38,500.00
Dorchester South, Yarmouth, Westminster and Dorchester North, Townships of—Board of Trustees of Roman Catholic Separate School, Union Public School Sections Nos. 11, 20, 12 and 20.....	Schools.....	31,800.00
Dorion, Improvement District of.....	Schools.....	30,900.00
Dover, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 3, 7, 9, 13 and 14.....	Schools.....	102,600.00
Dowling, Township of.....	Schools.....	32,200.00
Dowling, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	30,800.00
Draper, Township of.....	Schools.....	48,000.00
Drury, Denison and Graham, United Townships of...	Schools.....	78,900.00
Dryden, Town of.....	Water.....	9,300.00
Dryden and Awrey, Townships of—Board of Public School Trustees of Union School Section Nos. 3; and 1.....	Schools.....	53,700.00
Dungannon, Township of.....	Schools.....	28,800.00
Dymond, Township of.....	Schools.....	44,500.00
Dysart, Guilford, Harburn, Dudley, Harcourt, Bruton, Havelock, Eyre and Clyde, Townships of.....	Schools.....	12,500.00
Eilber, Barker and Devitt, (Unorganized) Townships of—Public School Board of School Section No. 1..	Schools.....	25,300.00
Elliot Lake, Improvement District of.....	Water, Sewers and Schools	6,528,200.00
Elliot Lake, Improvement District of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	494,800.00
Essa, Township of.....	Schools.....	37,000.00
Essex, County of.....	Schools.....	249,300.00
Etobicoke, Township of.....	Water and Sewers.....	293,000.00
Etobicoke, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 11 and 15.....	Schools.....	254,600.00
Eton, Aubrey, Wainwright and Van Horne, (Unorganized) Townships of—Public School Board of the Township School Area.....	Schools.....	115,100.00
Falconbridge, Township of.....	Schools.....	84,400.00
Faraday, Township of.....	Schools.....	68,800.00
Fenwick, Haviland and Vankoughnet—Public School Board of Township School Area.....	Schools.....	109,500.00
Fisher, (Unorganized) Township of—Board of Trustees of Roman Catholic Separate School Section No. 1....	Schools.....	11,100.00
Fisher and Herrick, Townships of—Board of Public School Trustees of Union School Section No. 1....	Schools.....	33,400.00
Fonthill, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	96,100.00
Fort Frances, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	49,400.00
Freeman, Township of.....	Schools.....	2,200.00
Frontenac, County of.....	Schools.....	568,000.00
Garson, Township of—Board of Trustees of Roman Catholic Separate School Sections Nos. 2 and 3.....	Schools.....	197,000.00
Georgetown, Town of.....	Water, Sewers and Schools	754,970.00
Georgetown, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	131,400.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1966**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Geraldton, Town of.....	Schools.....	\$ 130,500.00
Glackmeyer, Township of.....	Schools.....	18,900.00
Gladstone, Bright, Parkinson, Patton and Eley, (Unorganized) Townships of—Board of School Trustees of Township School Area.....	Schools.....	27,700.00
Glencoe, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	13,800.00
Gloucester, Township of.....	Schools.....	84,900.00
Gore Bay, Town of.....	Water and Schools.....	168,200.00
Gorham and Ware, Townships of—Public School Board of the Township School Area.....	Schools.....	46,500.00
Grimsby, Town of.....	Sewers and Schools.....	82,600.00
Grimsby North, Township of.....	Schools.....	9,500.00
Hagar, Loughrin and Awrey, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 1 and 2; 1; and 1.....	Schools.....	49,100.00
Haultain, Milner and Nicol—Public School Board of the Township School Area.....	Schools.....	37,500.00
Hearst, Town of.....	Water and Sewers.....	21,000.00
Hensall, Village of.....	Schools.....	76,000.00
Herschel, Township of.....	Schools.....	9,300.00
Hespeler, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	64,600.00
Hilliard, Township of.....	Schools.....	20,300.00
Himsworth South, Township of.....	Schools.....	43,500.00
Houghton, Township of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	29,100.00
Howland, Township of.....	Schools.....	12,000.00
Ignace, Township of.....	Schools.....	22,800.00
Ingram, (Unorganized) Township of—Board of Trustees of the Township School Area.....	Schools.....	5,000.00
Innisfil, Township of.....	Schools.....	116,100.00
Jaffray and Melick, Township of.....	Schools.....	87,100.00
Jaffray and Melick, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3....	Schools.....	68,700.00
Joan and Phyllis, (Unorganized) Townships of—Board of School Trustees of the Township School Area.....	Schools.....	19,200.00
Johnson, Township of.....	Schools.....	33,100.00
Kashabowie, Township of—Public School Board of School Section No. 1.....	Schools.....	29,000.00
Keewatin, Town of.....	Schools.....	252,000.00
Keewatin, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	73,000.00
Kendrey, Township of.....	Water and Sewers.....	53,900.00
Kennedy, Brower, Fox and Pyne—Public School Board of the Township School Area.....	Schools.....	30,100.00
Kilkenny, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	35,600.00
Kingston, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	49,500.00
Laird, Township of.....	Schools.....	89,200.00
Lakefield, Village of.....	Water and Schools.....	195,100.00
Lakefield, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	29,400.00
Larder Lake, Township of.....	Schools.....	23,800.00
Leduc, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	43,200.00
Lewis, Township of—Board of Trustees of the Public School Section No. 2.....	Schools.....	7,800.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1966**

SCHEDULE OF DEBENTURES—Continued

NAME	PURPOSE	PAR VALUE
Lewis and Spragge, Townships of—Board of Public School Trustees, Union School Section No. 2.....	Schools.....	\$ 25,600.00
Limerick, Township of.....	Schools.....	18,400.00
Lion's Head, Village of.....	Schools.....	60,900.00
Little Current, Town of.....	Schools.....	94,400.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 20.....	Schools.....	54,500.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 21.....	Schools.....	62,400.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 22.....	Schools.....	108,200.00
London, City of—Board of Trustees of Roman Catholic Separate School Section No. 23.....	Schools.....	104,300.00
Long and Striker, Townships of—Board of Trustees of Public School Union Sections Nos. 1; and 1....	Schools.....	40,700.00
Louth, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	136,900.00
Lutterworth, Township of.....	Schools.....	29,400.00
Lybster and South Marks, (Unorganized) Townships of—Board of School Trustees of the Township School Area.....	Schools.....	57,900.00
Macaulay, Township of.....	Schools.....	65,400.00
Macdonald, Meredith and Aberdeen Additional, Townships of.....	Schools.....	53,100.00
Machin, Township of.....	Schools.....	74,851.39
Madoc, Village of.....	Water and Sewers.....	9,900.00
Magnetawan, Village of.....	Schools.....	18,400.00
Maidstone, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7.....	Schools.....	44,800.00
Manitouwadge, Improvement District of.....	Water and Schools.....	1,381,600.00
Manitouwadge, Improvement District of—Board of Trustees of the Township School Area.....	Schools.....	404,800.00
Markham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	54,000.00
Marmora, Village of.....	Schools.....	62,200.00
Massey, Town of.....	Schools.....	21,700.00
Matheson, Town of.....	Water, Sewers and Schools.....	130,200.00
Mattawa, Town of.....	Water and Sewers.....	64,300.00
Michipicoten, Township of.....	Schools.....	180,900.00
Middleton, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	38,800.00
Middleton and North Walsingham, Townships of—Board of Trustees of Roman Catholic Union Separate School, United Sections, Nos. 6 and 22.....	Schools.....	57,800.00
Milton, Town of.....	Sewers and Schools.....	238,900.00
Minaki, (Unorganized) Township of—Public School Board of Section No. 1.....	Schools.....	17,400.00
Monmouth, Township of.....	Schools.....	40,300.00
Moore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	10,100.00
Nakina, Improvement District of.....	Schools.....	64,400.00
Neelon and Garson, United Townships of.....	Water and Schools.....	313,122.89
New Liskeard, Town of.....	Water and Sewers.....	1,300.00
Newmarket, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	92,800.00
Niagara, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	82,800.00
Niagara, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	31,000.00
Niagara Falls, City of.....	Water.....	459,000.00
Niagara Falls, City of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 4, 5, 6.....	Schools.....	73,300.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1966**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Niagara Falls, City of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 3, 4, 5, and 6.	Schools.	\$ 92,800.00
Niagara Falls, City of—Board of Trustees of Roman Catholic Union Separate School Section No. 7.	Schools.	80,700.00
Nipigon, Township of.	Water and Sewers.	129,000.00
North Fredericksburgh, Township of.	Schools.	2,300.00
North Gwillimbury, Township of.	Schools.	149,100.00
North York, Township of.	Incinerator, Water and Sewers.	220,000.00
Oakley, Township of.	Schools.	32,800.00
Oakville, Town of.	Water, Sewers and Schools	1,032,400.00
Oakville, Town of—Board of Trustees of Roman Catholic Separate School Section No. 13.	Schools.	123,300.00
Oakville, Town of—Board of Trustees of Roman Catholic Separate School Section No. 18.	Schools.	101,100.00
Oliver, Township of.	Schools.	47,400.00
Onaping, Improvement District of.	Schools.	104,700.00
Oro, Township of.	Schools.	9,900.00
Paipooonge, Township of.	Schools.	76,600.00
Parkhill, Town of, and Williams West, Township of—Board of Trustees of Roman Catholic Union Separate School, United Section No. 10.	Schools.	33,000.00
Pelham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 9.	Schools.	31,000.00
Pembroke, Township of.	Schools.	50,400.00
Penetanguishene, Town of.	Schools.	213,000.00
Petawawa, Township of.	Schools.	63,200.00
Pic, Township of—Public School Board of Section No. 1.	Schools.	51,400.00
Pickering, Township of.	Schools.	832,651.75
Pickering, Village of.	Schools.	74,200.00
Playfair, Township of.	Schools.	5,200.00
Port Carling, Village of.	Water.	12,400.00
Port Credit, Town of.	Water and Schools.	168,700.00
Port Credit, Town of—Board of Trustees of Roman Catholic Separate Schools.	Schools.	99,200.00
Port McNicoll, Village of.	Water.	6,700.00
Powassan, Town of.	Schools.	252,700.00
Prescott, Town of.	Schools.	66,000.00
Prince, Township of.	Schools.	38,352.00
Rainy River, Town of.	Schools.	104,300.00
Rayside, Township of.	Schools.	120,100.00
Redditt, Township of—Public School Board of Section No. 1.	Schools.	17,100.00
Red Lake, Township of.	Schools.	168,900.00
Red Lake, Township of—Board of Trustees of Roman Catholic Separate Schools.	Schools.	115,300.00
Red Rock, Improvement District of—Board of Trustees of Roman Catholic Separate Schools.	Schools.	61,800.00
Renfrew, Town of—Board of Trustees of Roman Catholic Separate Schools.	Schools.	105,300.00
Richmond Hill, Town of.	Schools.	208,200.00
Richmond Hill, Town of—Board of Trustees of Roman Catholic Separate Schools.	Schools.	55,200.00
Riverside, Town of.	Water, Sewers and Schools	32,400.00
Riverside, Town of—Board of Trustees of Roman Catholic Separate Schools.	Schools.	485,300.00
Rockland, Town of.	Water.	18,500.00
Rodney, Village of, and Aldborough, Township of—Board of Trustees of Roman Catholic Union Separate School for the Village and Section No. 5.	Schools.	27,700.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1966**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Ryan, Kincaid and Herrick, Townships of—Board of Public School Trustees, Union School Section Nos. 1, 1 and 2.....	Schools.....	\$ 10,100.00
Ryde, Township of.....	Schools.....	39,500.00
St. Catharines, City of.....	Water and Sewers.....	238,700.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	42,200.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	82,800.00
St. Catharines, City of—Board of Trustees of Roman Catholic Separate School Section No. 8.....	Schools.....	27,700.00
St. Clair Beach, Village of.....	Water, Sewers and Schools	39,450.00
St. Clair Beach, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	33,000.00
St. Joseph, Township of.....	Schools.....	113,593.31
St. Thomas, City of—Board of Trustees of Roman Catholic Separate School Section No. 18.....	Schools.....	93,400.00
Salter, May and Harrow, Townships of.....	Schools.....	66,600.00
Saltfleet, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	129,700.00
Sandwich East, Township of.....	Water, Sewers and Schools	477,348.00
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1....	Schools.....	53,800.00
Sandwich South, Township of.....	Schools.....	10,900.00
Sandwich South, Township of—Board of Trustees of Roman Catholic Separate School Section No. 20....	Schools.....	57,900.00
Sandwich West, Township of.....	Water, Sewers and Schools	747,670.00
Sandwich West, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1....	Schools.....	57,900.00
Sandwich West, Township of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2, 3, 4, 7 and 9.....	Schools.....	560,700.00
Sault Ste. Marie, City of.....	Water, Sewers, Schools...	256,350.00
Sault Ste. Marie, City of—Board of Trustees of Roman Catholic Separate School Section No. 4....	Schools.....	70,200.00
Sault Ste. Marie, City of—Board of Trustees of Roman Catholic Separate School Section No. 3....	Schools.....	68,300.00
Sault Ste. Marie, City of—Board of Trustees of Roman Catholic Union Separate School, United School Sections Nos. 3 and 5.....	Schools.....	55,500.00
Sault Ste. Marie, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	164,800.00
Savant Lake—Public School Board of School Section No. 1.....	Schools.....	9,600.00
Schreiber, Township of.....	Water.....	12,000.00
Schreiber, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	16,900.00
Seneca, Township of—Board of Trustees of Roman Catholic Separate School Section No. 11.....	Schools.....	13,900.00
Shebandowan—Public School Board of School Section No. 1.....	Schools.....	19,800.00
Shedden, Township of—Public School Board of Section No. 1.....	Schools.....	54,200.00
Shedden, Township of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	125,000.00
Sherwood, Jones and Burns, Townships of.....	Schools.....	25,900.00
Sibley—Public School Board of the Township School Area.....	Schools.....	30,400.00
Sidney, Township of—Board of Trustees of Roman Catholic Separate School Section No. 11.....	Schools.....	12,500.00
Sioux Lookout, Town of.....	Water, Sewers and Schools	378,240.00
Sioux Lookout, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	76,700.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1966**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Sioux Narrows, Improvement District of—Board of Trustees of the Roman Catholic Separate Schools...	Schools.....	\$ 105,000.00
South River, Village of.....	Water.....	38,000.00
Spragge, Township of—Public School Board of Section No. 1.....	Schools.....	46,500.00
Stafford, Township of.....	Schools.....	27,000.00
Stisted, Township of.....	Schools.....	23,300.00
Stouffville, Village of.....	Sewers.....	344,900.00
Strathroy, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	11,700.00
Streetsville, Town of.....	Schools.....	61,000.00
Strong, Township of.....	Schools.....	143,100.00
Sturgeon Falls, Town of.....	Schools.....	136,900.00
Sudbury, City of.....	Water, Sewers and Schools	1,256,300.00
Sudbury, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	144,700.00
Sundridge, Village of.....	Schools.....	73,600.00
Sunnidale, Township of.....	Schools.....	44,100.00
Sutton, Village of.....	Water.....	215,400.00
Tarbutt and Tarbutt Additional, Township of.....	Schools.....	77,900.00
Tay, Township of.....	Water.....	36,000.00
Teck, Township of.....	Water.....	81,930.83
Tekkummah, Township of.....	Schools.....	34,500.00
Thamesville, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	37,200.00
Thessalon, Town of.....	Schools.....	98,460.00
Thessalon, Township of.....	Schools.....	68,900.00
Thorold, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	144,000.00
Timmins, Town of.....	Sewers.....	19,600.00
Timmins, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	470,300.00
Tisdale, Township of.....	Water and Sewers.....	251,400.00
Toronto, Township of.....	Water, Sewers and Schools	770,500.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	81,100.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	62,100.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4.....	Schools.....	137,600.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	100,500.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7.....	Schools.....	54,000.00
Toronto Gore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 6....	Schools.....	27,700.00
Trout Creek, Town of.....	Schools.....	27,500.00
Twenty-Two, (Unorganized) Township of—Public School Section No. 1.....	Schools.....	23,000.00
Twenty-Seven and Twenty-Eight, Townships of—Board of Trustees of Roman Catholic Separate School, Union School Section No. 1.....	Schools.....	52,200.00
Upsala, Township School Area of—Public School Board.....	Schools.....	31,000.00
Vaughan, Township of—Board of Trustees of Roman Catholic Separate School Section No. 25.....	Schools.....	66,000.00
Vermilion Additional, Drayton, Jordan and Vermilion, Townships of—Board of Public School Trustees, Union School Sections Nos. 1; 2; 1; and 1.....	Schools.....	80,600.00
Vespra, Township of.....	Schools.....	30,400.00

**DEBENTURES OF ONTARIO MUNICIPALITIES AND SCHOOL BOARDS
HELD BY THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION
AS AT MARCH 31, 1966**

SCHEDULE OF DEBENTURES—*Continued*

NAME	PURPOSE	PAR VALUE
Wabigoon and Redvers, Township of—Board of Public School Trustees of Union School Sections Nos. 2 and 3.....	Schools.....	\$ 88,900.00
Wallaceburg, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	68,900.00
Ware and Dawson Road, Township School Area of—Public School Board.....	Schools.....	45,300.00
Waterford, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	18,800.00
Waters, Township of.....	Schools.....	166,100.00
Webbwood, Town of.....	Schools.....	29,800.00
Welland, City of—Board of Trustees of Roman Catholic Separate School Section No. 9.....	Schools.....	87,900.00
Werner Lake, Public School Board of School Section No. 1.....	Schools.....	20,790.00
West Ferris, Township of.....	Water, Sewers and Schools	562,100.00
Westminster, Township of.....	Schools.....	34,800.00
Westminster, Township of—Board of Trustees of Roman Catholic Separate School Section No. 17...	Schools.....	33,000.00
Whitney, Township of.....	Sewers.....	13,500.00
Wicksteed, Township of.....	Schools.....	95,000.00
Wicksteed, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	82,600.00
Widdifield, Township of.....	Water.....	11,300.00
Windsor, City of.....	Water.....	500,000.00
Windsor, City of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	848,900.00
Wollaston, Township of.....	Schools.....	34,400.00
Woodbridge, Village of.....	Water and Schools.....	128,000.00
Wyoming, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	27,700.00
Zealand, (Unorganized) Township of—Public School Board of School Section No. 1.....	Schools.....	83,900.00
		<u><u>\$46,485,868.17</u></u>

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL ORDINARY
REVENUE FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966**

DEPARTMENT	NET INTERIM ORDINARY REVENUE	NET ACTUAL ORDINARY REVENUE	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture.....	\$ 1,094,000	\$ 1,271,886	\$ 177,886	\$
Attorney General.....	13,695,000	13,804,340	109,340	
Economics and Development.....	40,000	44,903	4,903	
Education.....	3,697,000	8,590,209	4,893,209	
Energy and Resources Management	270,000	267,474		2,526
Health.....	4,286,000	4,731,433	445,433	
Highways.....	3,162,000	3,254,470	92,470	
Labour.....	1,535,000	1,786,820	251,820	
Lands and Forests.....	25,100,000	25,513,416	413,416	
Mines.....	14,798,000	16,473,864	1,675,864	
Municipal Affairs.....	670,000	595,631		74,369
Prime Minister.....		42	42	
Provincial Secretary and Citizenship	3,254,000	3,444,205	190,205	
Public Welfare.....	35,000	54,171	19,171	
Public Works.....	1,357,000	1,363,387	6,387	
Reform Institutions.....	862,000	881,971	19,971	
Tourism and Information.....	1,320,000	1,327,937	7,937	
Transport.....	92,000,000	96,127,979	4,127,979	
University Affairs.....	49,000	48,946		54
Treasury:				
Main Office—Subsidies.....	4,624,000	4,624,070	70	
Interest.....	72,000	72,633	633	
Miscellaneous.....	40,000	18,058		21,942
Ontario Racing Commission.....	140,000	156,387	16,387	
Liquor Control Board of Ontario.....	119,000,000	125,200,000	6,200,000	
Public Utilities Tax.....	1,000,000	1,321,361	321,361	
Water Power Rentals.....	6,000,000	6,647,050	647,050	
Pension Commission of Ontario ..		11,837	11,837	
Revenue Division:				
Income Tax Collection Agree-				
ment.....	290,254,000	292,403,842	2,149,842	
Federal Payment re share of				
Estate Tax.....	16,838,000	16,837,500		500
Corporations Tax.....	244,000,000	252,375,741	8,375,741	
Retail Sales Tax.....	216,000,000	220,998,196	4,998,196	
Gasoline Tax.....	232,000,000	236,829,198	4,829,198	
Succession Duty.....	52,000,000	56,968,088	4,968,088	
Motor Vehicle Fuel Tax, etc...	15,000,000	14,679,421		320,579
Race Tracks Tax, etc.....	11,300,000	12,161,834	861,834	
Hospitals Tax.....	6,600,000	6,792,378	192,378	
Land Transfer Tax.....	6,500,000	6,705,592	205,592	
Logging Tax.....	3,000,000	2,257,381		742,619
Security Transfer Tax.....	4,000,000	4,199,648	199,648	
Tobacco Tax.....	1,500,000	2,001,746	501,746	
Miscellaneous.....		114	114	
Total for Treasury.....	\$1,229,868,000	\$1,263,262,075	\$34,479,715	\$ 1,085,640
	<u>\$1,397,092,000</u>	<u>\$1,442,845,159</u>	<u>\$46,915,748</u>	<u>\$ 1,162,589</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966**

DEPARTMENT	NET INTERIM ORDINARY EXPENDITURE	NET ACTUAL ORDINARY EXPENDITURE	ACTUAL TO INTERIM INCREASE	DECREASE
Agriculture.....	\$ 29,105,000	\$ 24,698,984	\$	\$ 4,406,016
Attorney General.....	39,741,000	39,423,550		317,450
Civil Service.....	1,223,000	1,189,327		33,673
Economics and Development.....	9,176,000	7,957,947		1,218,053
Education.....	451,521,000	443,520,605		8,000,395
Energy and Resources Management	8,291,000	7,609,402		681,598
Health.....	168,337,000	164,044,765		4,292,235
Highways.....	95,410,000	97,567,588	2,157,588	
Labour.....	6,441,000	6,885,544	444,544	
Lands and Forests.....	30,046,000	28,528,699		1,517,301
Lieutenant Governor.....	48,000	47,444		556
Mines.....	2,575,000	2,535,579		39,421
Municipal Affairs.....	49,042,000	46,796,637		2,245,363
Prime Minister.....	253,000	235,758		17,242
Provincial Auditor.....	525,000	548,261	23,261	
Provincial Secretary and Citizenship	5,635,000	5,670,720	35,720	
Public Welfare.....	85,522,000	84,842,799		679,201
Public Works.....	14,798,000	14,944,610	146,610	
Reform Institutions.....	18,823,000	19,498,604	675,604	
Tourism and Information.....	6,430,000	6,137,806		292,194
Transport.....	8,282,000	8,005,261		276,739
Treasury.....	30,129,000	29,776,330		352,670
University Affairs.....	68,835,000	69,583,545	748,545	
Stationery Account.....		24,945	24,945	
	<u>\$1,130,188,000</u>	<u>\$1,110,074,710</u>	<u>\$ 4,256,817</u>	<u>\$24,370,107</u>
Public Debt:				
Interest, etc.....	65,569,000	63,174,702		2,394,298
Provision for Sinking Fund.....	41,500,000	41,500,000		
	<u>\$1,237,257,000</u>	<u>\$1,214,749,412</u>	<u>\$ 4,256,817</u>	<u>\$26,764,405</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	159,000,000	227,000,000	68,000,000	
	<u>\$1,396,257,000</u>	<u>\$1,441,749,412</u>	<u>\$72,256,817</u>	<u>\$26,764,405</u>

*8 months' actual—4 months' forecast.

COMPARATIVE SUMMARY

**NET INTERIM* AND ACTUAL ORDINARY REVENUE AND ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966**

	INTERIM	ACTUAL	ACTUAL TO INTERIM
Net Ordinary Revenue.....	\$1,397,092,000	\$1,442,845,159	\$45,753,159
Less: Net Ordinary Expenditure (before items below).....	\$1,195,757,000	\$1,173,249,412	\$22,507,588
Provision for Sinking Fund.....	41,500,000	41,500,000	
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	159,000,000	227,000,000	68,000,000
Net Ordinary Expenditure.....	<u>\$1,396,257,000</u>	<u>\$1,441,749,412</u>	<u>\$45,492,412</u>
Surplus.....	<u>\$ 835,000</u>	<u>\$ 1,095,747</u>	<u>\$ 260,747</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL CAPITAL
RECEIPTS FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966**

DEPARTMENT	NET INTERIM CAPITAL RECEIPTS	NET ACTUAL CAPITAL RECEIPTS	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Education.....	\$ 1,300,000	\$ 1,273,283	\$	\$ 26,717
Energy and Resources Management.....	3,000	10,610	7,610	
Health.....		33,293	33,293	
Highways.....	490,000	479,178		10,822
Labour.....	9,501,000	11,242,966	1,741,966	
Lands and Forests.....	750,000	822,939	72,939	
Mines.....	1,000	4,254	3,254	
Municipal Affairs.....	9,200,000	10,361,864	1,161,864	
Public Welfare.....		44,096	44,096	
Public Works.....	230,000	247,165	17,165	
Tourism and Information.....		11,750	11,750	
Transport.....	7,700,000	8,198,141	498,141	
Treasury.....	115,558,000	115,903,708	345,708	
	<u>\$144,733,000</u>	<u>\$148,633,247</u>	<u>\$3,937,786</u>	<u>\$ 37,539</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF NET INTERIM* AND ACTUAL CAPITAL
DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1965, TO MARCH 31, 1966**

DEPARTMENT	NET INTERIM CAPITAL DISBURSE- MENTS	NET ACTUAL CAPITAL DISBURSE- MENTS	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture.....	\$ 400,000	\$ 391,670	\$	\$ 8,330
Economics and Development.....	9,000,000	9,250,000	250,000	
Education.....	10,000			10,000
Energy and Resources Management...	16,033,000	13,478,856		2,554,144
Health.....	9,618,000	9,377,000		241,000
Highways.....	241,400,000	238,579,218		2,820,782
Labour.....	9,500,000	9,599,146	99,146	
Lands and Forests.....	4,653,000	3,893,760		759,240
Mines.....	1,700,000	1,408,151		291,849
Municipal Affairs.....	71,850,000	61,253,552		10,596,448
Public Welfare.....		8,142	8,142	
Public Works.....	42,975,000	35,693,122		7,281,878
Transport.....	4,381,000	4,103,304		277,696
Treasury.....	191,709,000	190,011,074		1,697,926
	<u>\$603,229,000</u>	<u>\$577,046,995</u>	<u>\$ 357,288</u>	<u>\$26,539,293</u>
Less: Financed out of Ordinary Revenue	159,000,000	227,000,000	68,000,000	
	<u>\$444,229,000</u>	<u>\$350,046,995</u>	<u>\$67,642,712</u>	<u>\$26,539,293</u>

*8 months' actual—4 months' forecast.

TREASURY BOARD ORDERS

**STATEMENT OF TREASURY BOARD ORDERS ISSUED FOR THE
AUTHORIZATION OF EXPENDITURES IN EXCESS OF APPROPRIATIONS
DURING THE FISCAL YEAR ENDED MARCH 31, 1966**

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
	ORDINARY	\$ c.	\$ c.
	Department of Agriculture		
	Main Office:		
Mar. 30, 1966	Salaries.....	16,000.00	14,014.44
Feb. 16, 1966	Maintenance.....	18,000.00	17,972.01
	Farm Labour Service:		
Oct. 27, 1965	Order..... \$ 20,000.00		
Feb. 2, 1966	Order..... 31,000.00		
		51,000.00	33,221.84
April 6, 1966	Unemployment Insurance.....	*1,000.00	
Feb. 16, 1966	Removal expenses of officials.....	5,000.00	3,920.40
	Agricultural and Horticultural Societies Branch:		
Feb. 23, 1966	Salaries.....	6,500.00	6,130.74
Feb. 23, 1966	Travelling expenses.....	4,500.00	4,000.01
Feb. 16, 1966	Maintenance.....	4,500.00	3,639.52
	Dairy Branch:		
Mar. 30, 1966	Salaries.....	13,000.00	12,886.48
April 6, 1966	Maintenance.....	4,500.00	2,502.50
	Extension Branch:		
Mar. 30, 1966	Salaries.....	31,000.00	29,617.95
Mar. 2, 1966	Maintenance.....	109,000.00	86,376.00
	Farm Products Inspection Branch:		
Mar. 30, 1966	Salaries.....	35,000.00	26,001.57
	Farm Products Marketing Board:		
	Maintenance:		
Aug. 18, 1965	Order..... \$ 27,000.00		
April 6, 1966	Order..... 10,000.00		
		37,000.00	32,514.38
	Live Stock Branch:		
Mar. 30, 1966	Salaries.....	10,500.00	8,169.03
Mar. 23, 1966	Maintenance.....	10,000.00	9,913.16
	Ontario Food Council:		
Mar. 30, 1966	Salaries.....	5,000.00	4,644.09
	Veterinary Services Branch:		
April 6, 1966	Salaries.....	*5,000.00	
Mar. 30, 1966	The Meat Inspection Act (Ontario) 1962-63—		
	Salaries and Expenses.....	45,000.00	44,936.12
Feb. 16, 1966	Rabies Indemnity payments.....	32,000.00	14,986.50
	Horticultural Experiment Station, Vineland:		
April 6, 1966	Salaries.....	11,500.00	10,514.26
Mar. 23, 1966	Maintenance.....	10,000.00	9,964.25
	Kemptville Agricultural School:		
April 6, 1966	Salaries.....	31,000.00	30,873.27
		496,000.00	406,798.52

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Attorney General				
	Main Office:				
Mar. 2, 1966	Salaries	5,000.00		2,806.56	
Jan. 24, 1966	Maintenance	6,500.00		6,495.11	
	Royal Commissions:				
Oct. 6, 1965	Order	\$ 85,000.00			
Dec. 6, 1965	Order	200,000.00			
		285,000.00		283,853.85	
	Ontario Police Commission:				
	Salaries:				
Mar. 2, 1966	Order	\$ 12,000.00			
April 6, 1966	Order	9,000.00			
		21,000.00		20,508.94	
Mar. 2, 1966	Maintenance	43,000.00		42,995.15	
	Legislative Counsel Division:				
	Law Revision and other Committees' expenses:				
Oct. 6, 1965	Order	\$ 38,000.00			
Jan. 19, 1966	Order	38,000.00			
April 6, 1966	Order	36,000.00			
		112,000.00		111,850.48	
	Administration and Finance Division:				
Mar. 2, 1966	Salaries	57,000.00		55,341.86	
Mar. 23, 1966	Maintenance	5,000.00		4,875.38	
Mar. 16, 1966	Exhibition expenses	2,000.00		1,705.25	
	Workmen's Compensation Board—awards and costs:				
Aug. 25, 1965	Order	\$ 4,000.00			
Dec. 21, 1965	Order	4,500.00			
		8,500.00		8,108.96	
Jan. 5, 1966	Unemployment Insurance	1,000.00		556.54	
	Civil Law Division:				
Mar. 23, 1966	Maintenance	2,500.00		2,300.70	
	General Litigation and Legal Services:				
Nov. 17, 1965	Order	\$ 7,000.00			
Mar. 23, 1966	Order	18,000.00			
		25,000.00		23,887.99	
	Criminal Law Division:				
April 6, 1966	Salaries	10,000.00		7,374.73	
Mar. 23, 1966	Maintenance	8,000.00		7,980.49	
Mar. 2, 1966	Crown Counsel Prosecutions	22,000.00		21,196.17	
April 6, 1966	Sundry Investigations	30,000.00		29,779.99	
	Administration of Justice Division:				
Mar. 2, 1966	Salaries	383,000.00		245,318.49	
Sept. 23, 1965	Grants	15,000.00		14,400.00	
Mar. 23, 1966	Administration of Justice—Districts	35,000.00		34,390.47	
Mar. 23, 1966	Legal Agents' Services—Matrimonial Causes	2,000.00		1,235.00	
	Public Safety Division:				
	Salaries:				
Feb. 16, 1966	Order	\$ 11,500.00			
Mar. 2, 1966	Order	53,000.00			
		64,500.00		53,348.79	
Feb. 16, 1966	Maintenance	11,000.00		6,115.38	
Feb. 16, 1966	Emergency Measures Branch, Municipal Projects	*101,500.00			
	Ontario Securities Branch:				
April 6, 1966	Salaries	8,000.00		7,887.17	

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Attorney General—Continued				
	Office of Superintendent of Insurance:				
Mar. 2, 1966	Salaries.....	20,000.00		19,075.91	
Mar. 2, 1966	Maintenance.....	15,000.00		13,196.48	
	Ontario Provincial Police:				
Mar. 30, 1966	Salaries.....	525,000.00		524,028.07	
Mar. 30, 1966	Maintenance.....	60,000.00		47,896.75	
		1,883,500.00		1,598,510.66	
	Department of Civil Service				
	Position Administration:				
Mar. 30, 1966	Salaries.....	5,500.00		4,338.96	
	Recruitment and Examination:				
Mar. 30, 1966	Salaries.....	5,000.00		4,944.53	
Jan. 12, 1966	Publications and advertising.....	16,500.00		16,485.94	
	Ontario Joint Council, Civil Service Arbitration Board and Grievance Boards:				
Oct. 6, 1965	Honoraria.....	6,000.00		5,310.00	
	Employee Relations:				
Feb. 16, 1966	Publications.....	4,500.00		4,483.90	
		37,500.00		35,563.39	
	Department of Economics and Development				
	Main Office:				
Feb. 16, 1966	Salaries.....	68,000.00		57,079.80	
Jan. 12, 1966	Postage—entire department.....	21,000.00		18,402.40	
July 12, 1965	Advertising, films, conferences, special services and publications arising therefrom.....	255,000.00		224,199.70	
	Economic Council:				
Feb. 16, 1966	Salaries.....	4,000.00		333.60	
	Office of Chief Economist:				
Feb. 16, 1966	Salaries.....	71,500.00		61,447.60	
Feb. 16, 1966	Maintenance.....	12,500.00		12,455.20	
Feb. 16, 1966	Publication of reports and expenses in connection thereof.....	30,000.00		17,719.80	
	Ontario Development Agency:				
Feb. 16, 1966	Salaries.....	10,000.00		2,737.00	
	Ontario House:				
Feb. 16, 1966	Salaries.....	12,000.00		11,635.00	
Dec. 21, 1965	Maintenance including rent and rates, allowances and general operating expenses.....	45,000.00		42,853.00	
	Trade and Industry Branch:				
Feb. 23, 1966	Maintenance.....	15,000.00		14,901.00	
	European Offices: administration expenses, including salaries, allowances, travelling expenses and general maintenance				
Feb. 16, 1966	Order.....	\$ 1,000.00			
Mar. 23, 1966	Order.....	10,000.00			
		11,000.00		9,105.00	

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Economics and Development —Continued		
	Trade and Industry Branch—Continued		
July 12, 1965	Cost of conducting sales missions, international trade fairs and exhibitions, export clinics, manufacturing opportunity shows, expenses for special projects, and services including the Women's Advisory Committee.....	65,000.00	43,189.42
		620,000.00	516,060.95
	Department of Education		
Feb. 23, 1966	Main Office: Maintenance.....	18,000.00	4,542.89
	Departmental Business Administration Branch: Salaries:		
Feb. 16, 1966	Order..... \$ 68,000.00		
April 14, 1966	Order..... 5,000.00	73,000.00	70,858.52
	Maintenance:		
Jan. 19, 1966	Order..... \$125,000.00		
April 14, 1966	Order..... 35,000.00	160,000.00	159,907.72
Jan. 5, 1966	Litigation, legal services, etc.....	2,000.00	1,641.46
Mar. 23, 1966	Unemployment insurance.....	2,500.00	657.94
Mar. 23, 1966	Workmen's Compensation Board—awards and costs.....	4,000.00	2,438.64
Sept. 1, 1965	School Business Administration Branch: Maintenance.....	90,000.00	49,282.22
	Information Branch:		
Jan. 19, 1966	Salaries.....	20,500.00	19,945.32
Oct. 6, 1965	Maintenance.....	5,000.00	4,930.17
Feb. 16, 1966	Teacher Education Branch: Salaries.....	251,000.00	231,411.66
	Special Schools and Services Branch:		
Feb. 16, 1966	Salaries.....	375,000.00	360,516.58
Jan. 19, 1966	Camps—operation, services, supplies, etc.....	5,500.00	4,363.15
Feb. 23, 1966	Technological and Trades Training Branch: Salaries.....	319,000.00	295,775.09
	Travelling expenses:		
Feb. 23, 1966	Order..... \$ 5,500.00		
April 14, 1966	Order..... 7,500.00	13,000.00	11,154.57
	Maintenance:		
Feb. 23, 1966	Order..... \$ 36,000.00		
April 14, 1966	Order..... 30,000.00	66,000.00	65,932.86
April 14, 1966	Instructional supplies.....	66,000.00	40,637.95
April 14, 1966	Purchase of equipment.....	15,000.00	6,624.44
	Federal-Provincial Agreements:		
	Various programs, services, expenses, etc.:		
Dec. 16, 1965	Order..... \$4,200,000.00		
April 6, 1966	Order..... 460,000.00	4,660,000.00	4,655,458.64

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Education—Continued		
	Federal-Provincial Agreements—Continued		
	To construct and equip additional vocational units for School Boards, etc.:		
Dec. 16, 1965	Order.....	\$5,000,000.00	
April 14, 1966	Order.....	* 500,000.00	
		5,500,000.00	1,242,965.82
	Scholarships, Bursaries, etc.:		
Jan. 24, 1966	Ontario Scholarships and Bursaries.....	362,000.00	361,970.05
Mar. 9, 1966	Subsidy on transportation of students from Territorial Districts in attendance at institutions of higher learning.....	2,500.00	2,017.22
	Legislative Grants, etc.:		
Oct. 20, 1965	Cost of education of non-resident pupils, etc.....	3,900,000.00	3,899,642.23
	Miscellaneous Grants:		
Dec. 16, 1965	Miscellaneous grants.....	68,000.00	38,469.40
		15,978,000.00	11,531,144.54
	Department of Energy and Resources Management		
	Main Office:		
Feb. 23, 1966	Salaries.....	4,000.00	1,131.72
Feb. 23, 1966	Maintenance.....	17,000.00	13,809.66
Oct. 6, 1965	Special investigation and reports relating to Energy.....	5,000.00	2,760.59
April 6, 1966	Advertising, exhibits, conferences.....	36,500.00	20,465.99
	Energy Branch:		
Feb. 23, 1966	Maintenance.....	33,000.00	31,157.31
	Ontario Energy Board:		
Feb. 23, 1966	Maintenance.....	3,000.00	2,563.33
	Conservation Authorities Branch:		
Jan. 5, 1966	Maintenance.....	15,500.00	11,061.31
April 6, 1966	Grants to Conservation Authorities (The Conservation Authorities Act, R.S.O. 1960, Section 42, as amended 1961-62).....	24,000.00	20,872.92
	Ontario Water Resources Commission:		
April 14, 1966	Salaries.....	81,200.00	72,474.34
April 14, 1966	Equipment.....	39,500.00	39,422.90
		258,700.00	215,720.07
	Department of Health		
	Main Office:		
Mar. 7, 1966	Salaries.....	20,000.00	19,759.50
	Maintenance:		
Mar. 23, 1966	Order.....	\$ 20,000.00	
April 6, 1966	Order.....	7,500.00	
		27,500.00	26,007.22
Mar. 16, 1966	Medical and other research: services and expenses as authorized by the Minister.....	1,000.00	701.61
April 6, 1966	Information and Publicity.....	6,500.00	5,961.00
Mar. 23, 1966	Homes for Special Care.....	850,000.00	692,874.44
Mar. 7, 1966	County Councils carrying on School Medical Inspections, as approved by the Minister under the Authority of The Public Health Act.....	1,800.00	1,763.90

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Health—Continued				
Mar. 7, 1966	Public Health Administration Branch: Salaries.....	8,000.00		6,085.06	
Mar. 23, 1966	Public Health Nursing Branch: Salaries.....	4,000.00		1,931.86	
Mar. 23, 1966	Maintenance.....	1,000.00		850.39	
Mar. 7, 1966	Maternal and Child Health Branch: Maintenance.....	1,500.00		1,380.22	
Dec. 7, 1965	Nursing Branch: Travelling expenses.....	1,000.00		755.25	
Mar. 7, 1966	Medical Rehabilitation Branch: Salaries.....	10,000.00		7,875.67	
Mar. 23, 1966	Tuberculosis Prevention Branch: Tuberculosis Prevention Clinics, Salaries.....	4,000.00		3,068.33	
April 6, 1966	Tuberculosis Prevention Clinics, Maintenance.....	2,000.00		1,998.96	
Mar. 23, 1966	Laboratory Branch: Grants to Hospital Laboratories providing Community Diagnostic Public Health Services (in amounts as may be authorized by the Minister)	27,000.00		26,541.55	
Mar. 7, 1966	Mental Health Branch: Maintenance.....	5,000.00		4,400.98	
April 6, 1966	Workmen's Compensation Board—awards and costs for Mental Health Branch.....	30,000.00		23,777.85	
April 6, 1966	Provision for payment to the Ontario Hospital Services Commission in reimbursement for expenditures relating to Mental care.....	330,000.00		328,960.62	
Mar. 23, 1966	Ontario Hospitals, Salaries.....	3,000,000.00		2,699,209.22	
		4,330,300.00		3,853,903.71	
	Department of Highways				
Mar. 16, 1966	Main Office: Salaries.....	75,000.00		52,916.91	
Mar. 9, 1966	Maintenance—King's Highways and Other Roads: Winter Maintenance: King's Highways and Secondary Highways.....	5,500,000.00		4,681,609.24	
Sept. 15, 1965	Sundry Services.....	250,000.00		189,815.21	
April 6, 1966	Municipal Subsidies (The Highway Improvement Act, Secs. 51, 55, 59, 60, 61, 67, 70, 71, 75, 76, 78, 79, 80, 83, The Municipality of Metropolitan Toronto Act, Section 78, and The Municipal Subsidies Adjustment Act, Section 1).....	3,000,000.00		2,700,577.24	
		8,825,000.00		7,624,918.60	
	Department of Labour				
Mar. 30, 1966	Main Office: Maintenance.....	30,000.00		29,751.39	
Feb. 16, 1966	Workmen's Compensation Board—awards and costs.....	2,000.00		1,526.48	

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AUDITOR'S REPORT

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Labour—Continued		
Mar. 9, 1966	Industrial Training Branch: Maintenance.....	25,000.00	22,377.47
Mar. 9, 1966	Industrial Training (special classes): Order.....	\$100,000.00	
April 6, 1966	Order.....	480,000.00	
		580,000.00	427,362.50
Mar. 9, 1966	Conciliation Services: Travelling expenses.....	2,500.00	1,885.46
Dec. 20, 1965	Maintenance: Order.....	\$ 4,000.00	
Mar. 9, 1966	Order.....	2,000.00	
		6,000.00	5,902.93
Mar. 9, 1966	Conciliation Boards, Commissions and Labour Safety Council.....	20,000.00	19,724.44
Feb. 16, 1966	Labour Standards Branch: Bank Charges re Vacation-with-Pay Stamps.....	80,000.00	79,473.79
Mar. 9, 1966	Labour Relations Board: Travelling expenses.....	12,000.00	5,364.92
		757,500.00	593,369.38
	Department of Lands and Forests		
April 14, 1966	Fish and Wildlife Branch: Payments of Wolf Bounty.....	10,000.00	9,947.00
Jan. 5, 1966	Parks Branch: Maintenance.....	3,000.00	663.88
April 14, 1966	Research Branch: Salaries.....	32,000.00	28,646.62
April 14, 1966	Grant to Ontario Research Foundation.....	4,200.00	4,179.88
April 14, 1966	Basic Organization—Field Services: Equipment (other than Forest Fire Suppression) ..	215,000.00	204,185.08
		264,200.00	247,622.46
	Department of Mines		
Mar. 30, 1966	Main Office: Salaries.....	5,000.00	3,561.28
Mar. 16, 1966	Maintenance, including office machinery and furniture for entire Department, except sulphur fumes arbitrator.....	23,000.00	22,381.74
Mar. 30, 1966	Mines Inspection Branch: Salaries.....	20,000.00	19,311.52
April 6, 1966	Travelling expenses: Order.....	\$ 1,500.00	
April 14, 1966	Order.....	1,000.00	
		2,500.00	1,816.20
Mar. 30, 1966	Laboratories Branch: Salaries.....	1,500.00	564.7
Mar. 30, 1966	Mining Lands Branch: Salaries.....	12,000.00	11,695.8
Mar. 2, 1966	Maintenance.....	12,000.00	10,459.0
		76,000.00	69,790.4

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Municipal Affairs		
	Main Office and Branches:		
Mar. 2, 1966	Development grants—unorganized territories . . .	58,000.00	52,954.20
Mar. 23, 1966	Payments under The Municipal Unconditional Grants Act	472,000.00	441,782.29
	Ontario Municipal Board:		
Mar. 2, 1966	Salaries	42,000.00	40,172.10
Mar. 2, 1966	Maintenance	18,000.00	17,434.04
		590,000.00	552,342.63
	Department of Prime Minister		
	Main Office:		
Feb. 23, 1966	Salaries	5,000.00	3,331.85
		5,000.00	3,331.85
	Department of Provincial Secretary and Citizenship		
	Main Office and General Departmental Expenses:		
April 14, 1966	Salaries	10,000.00	9,993.08
Jan. 24, 1966	Travelling expenses	1,500.00	1,146.89
Dec. 21, 1965	Government Hospitality Fund	20,000.00	19,750.03
	Companies Branch:		
April 14, 1966	Salaries	5,000.00	3,849.84
	Maintenance:		
Oct. 6, 1965	Order \$ 60,000.00		
April 14, 1966	Order 18,000.00		
		78,000.00	77,735.78
	Citizenship Branch:		
	Teaching Costs:		
Oct. 6, 1965	Order \$100,000.00		
April 6, 1966	Order 38,000.00		
		138,000.00	137,985.35
	Legislative Library:		
Aug. 25, 1965	Maintenance	20,000.00	19,997.90
	Sessional and Other Requirements:		
Mar. 24, 1966	Indemnities and Allowances to Members, including mileage	523,000.00	522,110.79
April 6, 1966	Stationery, including printing paper, printing bills, distribution of Statutes, printing and binding . .	25,000.00	24,567.19
April 6, 1966	Maintenance	2,000.00	1,988.78
	Hansard—reporting, printing, etc.:		
Aug. 18, 1965	Order \$ 20,000.00		
Jan. 24, 1966	Order 30,000.00		
April 6, 1966	Order 20,000.00		
		70,000.00	68,260.39
	Committee Fees, etc.:		
Aug. 4, 1965	Order \$ 50,000.00		
Sept. 29, 1965	Order 50,000.00		
Nov. 9, 1965	Order 50,000.00		
Jan. 24, 1966	Order 65,000.00		
Feb. 16, 1966	Order 35,000.00		
April 14, 1966	Order 10,000.00		
		260,000.00	259,864.43

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c	\$ c.
	Department of Provincial Secretary and Citizenship—Continued		
April 6, 1966	Queen's Printer: Salaries.....	1,000.00	461.80
April 6, 1966	Registrar General's Branch: Salaries.....	5,000.00	1,844.89
April 6, 1966	Post Office: Salaries.....	2,000.00	1,967.00
April 6, 1966	Postage and Maintenance.....	15,000.00	14,928.70
		1,175,500.00	1,166,452.84
	Department of Public Welfare		
Mar. 9, 1966	Main Office: Salaries.....	6,000.00	4,817.76
Oct. 27, 1965	Workmen's Compensation Board—awards and costs.....	1,600.00	719.36
Feb. 16, 1966	Grants and Bursaries re Training.....	*8,000.00	
Mar. 23, 1966	Child Welfare Branch: Subsidies on operation and maintenance costs (The Children's Institutions Act, 1962-63, Sec. 7)....	75,000.00	74,951.83
Nov. 3, 1965	Subsidies on operation and maintenance costs (The Homes for Retarded Children Act, 1962-63, Sec. 8).....	18,000.00	12,813.89
Mar. 16, 1966	Provincial Aid to Municipalities, Maintenance of Children from Unorganized Territory and Additional Aid to certain municipalities (Sections 20, 24, 25 and 27).....	2,370,000.00	2,312,024.30
Mar. 16, 1966	Day Nurseries Branch: Day Nurseries—Contributions for operation and maintenance (The Day Nurseries Act—R.S.O. 1960, Chap. 87, Sec. 3, as amended 1964).....	49,000.00	40,306.4
Jan. 12, 1966	Finance and Administration Branch: Maintenance.....	7,500.00	6,165.8
Nov. 9, 1965	Staff Training.....	34,000.00	12,399.7
Dec. 17, 1965	General Welfare Assistance Branch: Travelling expenses.....	19,000.00	603.9
Mar. 16, 1966	Subsidies on Homemakers and Nurses Services (The Homemakers and Nurses Services Act—R.S.O. 1960, Chap. 173).....	32,000.00	23,515.8
Dec. 17, 1965	Homes for the Aged Branch: Travelling expenses.....	6,200.00	5,015.3
Feb. 16, 1966	Welfare Allowances Branch: Dental Services—Children under The Mothers' Allowances Act, etc.....	34,000.00	34,000.
Feb. 16, 1966	Allowances in accordance with The Mothers' Allowances Act, etc.....	2,694,000.00	2,662,136.
		5,354,300.00	5,189,470.

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Public Works		
	Main Office:		
April 6, 1966	Salaries.....	16,000.00	15,984.77
Feb. 2, 1966	Maintenance.....	40,000.00	39,995.74
	Ontario Government Buildings:		
April 6, 1966	Salaries—Maintenance Staff.....	75,000.00	72,933.11
Mar. 23, 1966	Maintenance: Fuel, electricity, gas and water, housekeeping supplies, upkeep of grounds, etc..	155,000.00	154,835.93
Mar. 23, 1966	Communication services.....	129,000.00	127,466.42
Mar. 9, 1966	Repairs, alterations and incidentals.....	600,000.00	465,767.31
	Leased Premises:		
Jan. 24, 1966	Rentals and expenses in connection therewith....	650,000.00	557,468.30
		1,665,000.00	1,434,451.58
	Department of Reform Institutions		
	Main Office:		
	Travelling expenses:		
Dec. 21, 1965	Order.....\$ 15,000.00		
Mar. 2, 1966	Order.....5,000.00	20,000.00	19,633.32
	Maintenance:		
Dec. 1, 1965	Order.....\$ 30,000.00		
Mar. 2, 1966	Order.....18,000.00		
April 6, 1966	Order.....14,000.00	62,000.00	60,185.66
Mar. 9, 1966	Advisory Committees—allowances and expenses..	3,500.00	3,393.58
Mar. 23, 1966	Grants (Private Training Schools).....	273,000.00	271,812.89
	Institutions:		
	Salaries:		
Jan. 12, 1966	Order.....\$450,000.00		
Mar. 2, 1966	Order.....85,000.00	535,000.00	533,144.59
	General Maintenance: Medicine and medical comforts, including tobacco; groceries and provisions; fuel, light and water; clothing; laundry and cleaning; furniture and furnishings; office expenses; farm expenses; equipment and expenses, including those for recreation, trade, academic and physical training; contingencies; gratuities to inmates; maintenance of wards in foster homes:		
Mar. 2, 1966	Order.....\$ 90,000.00		
April 6, 1966	Order.....85,000.00	175,000.00	174,979.68
		1,068,500.00	1,063,149.72
	Department of Tourism and Information		
	Main Office:		
Jan. 12, 1966	Salaries.....	6,000.00	3,530.79
Jan. 12, 1966	Travelling expenses.....	7,000.00	4,274.35
Mar. 2, 1966	Maintenance.....	2,000.00	1,996.33

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Tourism and Information —Continued				
	Administrative Branch:				
Jan. 12, 1966	Maintenance.....	35,000.00		34,826.56	
Jan. 12, 1966	Centennial project.....	300,000.00		254,534.51	
	Publicity Branch:				
Jan. 12, 1966	Ontario tours of editors, writers and photographers and special promotion.....	*25,000.00			
	Advertising Branch:				
	Advertising:				
Mar. 2, 1966	Order.....	\$ 25,000.00			
Mar. 23, 1966	Order.....	58,000.00			
		83,000.00		82,052.86	
	Tourism Promotion and Information Branch:				
Mar. 2, 1966	Operation of Official Reception Centres and other information services, including purchase and rental of equipment, travelling expenses, tele- phone service, postage and other incidental expenses as authorized by the Minister.....	9,000.00		3,728.30	
	Tourist Industry Development Branch:				
Nov. 29, 1965	Maintenance.....	8,000.00		7,989.25	
July 28, 1965	Grants in Aid to Ontario Travel Council.....	8,000.00		5,512.05	
	Public Records and Archives:				
Mar. 2, 1966	Salaries.....	5,000.00		3,399.59	
Mar. 2, 1966	Travelling expenses.....	500.00		3.68	
Mar. 2, 1966	Maintenance.....	17,000.00		5,078.36	
	Travel Research Branch:				
Nov. 29, 1965	Travelling expenses.....	1,000.00		670.04	
Nov. 29, 1965	Travel Research.....	23,000.00		22,967.46	
	The St. Lawrence Parks Commission:				
Feb. 23, 1966	Administration—Salaries.....	20,000.00		18,374.78	
Oct. 20, 1965	—Land Acquisition.....	67,000.00		58,599.46	
	Operation of Historic Sites—				
Dec. 15, 1965	Maintenance—Order.....	\$ 7,500.00			
Jan. 24, 1966	—Order.....	20,000.00			
		27,500.00		21,023.4	
Feb. 23, 1966	Operation of Parks—Salaries.....	30,000.00		27,598.1	
		674,000.00		556,160.0	
	Department of Transport				
	Ontario Highway Transport Board:				
Feb. 16, 1966	Salaries.....	10,000.00		7,458.8	
	Motor Vehicles Administration:				
Feb. 16, 1966	Salaries.....	372,000.00		279,719.8	
April 14, 1966	Maintenance.....	50,000.00		48,561.5	
April 6, 1966	Registration plates and supplies.....	55,000.00		48,109.2	
	Motor Vehicle Accident Claims Fund:				
April 6, 1966	Professional, legal and adjusters' fees.....	50,000.00		31,290.7	
		537,000.00		415,140.	

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Treasury Department		
	General Administration:		
Feb. 23, 1966	Maintenance.....	20,000.00	16,977.64
April 20, 1966	Premium on Fidelity Bonds.....	5,000.00	2,773.70
Feb. 23, 1966	Expenses for special studies, etc.....	65,000.00	53,129.32
Feb. 16, 1966	Canadian Standard Bred Horse Society (in amounts as may be authorized by the Treasurer)	27,000.00	26,989.51
Jan. 5, 1966	Grants: Canadian Thoroughbred Horse Society ..	8,000.00	7,887.98
	Royal Commission on Windfall:		
July 15, 1965	Order.....\$ 45,000.00		
Feb. 23, 1966	Order.....5,000.00	50,000.00	48,049.01
Mar. 7, 1966	Accounts Division:		
	Government contribution to employee insurance plan.....	*250,000.00	.....
	Data Processing Branch:		
Mar. 23, 1966	Salaries.....	22,000.00	13,417.35
	Maintenance:		
Jan. 12, 1966	Order.....\$112,000.00		
April 14, 1966	Order.....30,000.00	142,000.00	135,227.88
	Ontario Racing Commission:		
Mar. 16, 1966	Maintenance.....	8,500.00	7,694.69
April 6, 1966	Services and expenses of officials at race tracks...	10,000.00	8,910.58
	Pension Commission of Ontario:		
	Maintenance:		
Feb. 23, 1966	Order.....\$ 14,000.00		
May 5, 1966	Order.....1,000.00	15,000.00	14,588.24
		622,500.00	335,645.90
	Department of University Affairs		
	Main Office:		
	Maintenance:		
July 12, 1965	Order.....\$ 20,000.00		
Jan. 19, 1966	Order.....50,000.00	70,000.00	49,951.90
	Grants to Universities and Colleges:		
July 12, 1965	Brock University.....	20,642.00	20,641.62
July 12, 1965	Carleton University.....	306,184.00	306,183.98
	University of Guelph:		
July 12, 1965	Order.....\$ 17,202.00		
Mar. 16, 1966	Order.....1,181,000.00	1,198,202.00	923,740.36
	Lakehead University:		
July 12, 1965	Order.....\$ 34,403.00		
April 6, 1966	Order.....3,000.00	37,403.00	37,402.70
July 12, 1965	Laurentian University of Sudbury.....	137,611.00	137,610.78
July 12, 1965	McMaster University.....	206,417.00	206,416.16
July 12, 1965	University of Ottawa.....	41,284.00	41,283.24
	Queen's University:		
July 12, 1965	Order.....\$292,423.00		
April 6, 1966	Order.....600.00	293,023.00	293,022.91

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of University Affairs—Continued				
	Grants to Universities and Colleges—Continued				
July 12, 1965	University of Toronto.....	653,652.00		653,651.20	
July 12, 1965	Trent University.....	20,642.00		20,641.62	
July 12, 1965	The University of Waterloo.....	344,027.00		344,026.94	
July 12, 1965	The University of Western Ontario.....	223,618.00		223,617.51	
July 12, 1965	University of Windsor.....	357,789.00		357,788.03	
July 12, 1965	York University.....	481,638.00		481,637.74	
Sept. 15, 1965	Scholarship, Bursary and Loan Assistance Fund..	40,000.00		40,000.00	
	Miscellaneous Grants:				
April 14, 1966	Miscellaneous Grants.....	18,000.00		14,000.00	
		4,450,132.00		4,151,616.69	
	Total Ordinary Treasury Board Orders.....	49,668,632.00		41,561,164.94	

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	CAPITAL		
	Department of Highways		
Dec. 15, 1965	Construction and Other Capital Projects: Property Purchases (The Highway Improvement Act, Sections 11, 13, 108).....	4,250,000.00	4,248,123.16
	Department of Labour		
Mar. 30, 1966	Labour Standards Branch: Payment of Claims re Vacation-with-Pay Stamps	100,000.00	99,146.30
	Department of Lands and Forests		
Jan. 12, 1966	Timber Branch: Construction of forest access roads—for protection and management of resources.....	*252,000.00	.....
April 14, 1966	Basic Organization—Land Acquisition and Development: Parks and Other Improvements.....	10,000.00	9,992.16
		262,000.00	9,992.16
	Department of Mines		
July 19, 1965	Main Office: Construction of Mining and Access Roads.....	500,000.00	408,150.69
	Department of Public Works		
Mar. 23, 1966	Capital Disbursements, Public Buildings: To provide for the construction of new buildings and works, purchase of lands and buildings, alterations, equipment and extension of services to existing buildings and works, and the purchase of construction plant and equipment and materials for stores and expenses in connection therewith.....	*2,400,000.00	.....
	Total Capital Treasury Board Orders.....	7,512,000.00	4,765,412.31
	Total Treasury Board Orders.....	57,180,632.00	46,326,577.25

*Indicates funds used for temporary financing during the fiscal year.

SPECIAL WARRANTS

STATEMENT OF SPECIAL WARRANTS ISSUED DURING THE FISCAL YEAR
ENDED MARCH 31, 1966

DATE OF WARRANT	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
ORDINARY					
Department of Agriculture					
July 8, 1965	Entering into a contract with Water Resources Development Corporation of Denver, Colorado, for assistance in inducing rainfall through the use of silver iodide crystals.....	100,000.00		80,256.00	
Aug. 26, 1965	Cost of Agricultural Research and Services to be carried out at the University of Guelph on behalf of the Department of Agriculture.....	3,700,000.00		3,471,958.50	
Oct. 7, 1965	A study of activities and the future role of The Canadian National Exhibition.....	36,000.00		36,000.00	
Oct. 14, 1965	Defraying expenses of The Milk Marketing Board as provided in The Milk Act, 1965.....	65,000.00		34,089.78	
Nov. 18, 1965	Paying assistance to farmers in areas affected by adverse weather, and the cost of administration..	6,030,000.00		2,808,889.21	
		9,931,000.00		6,431,193.49	
Department of Attorney General					
Aug. 19, 1965	Paying management consultant fees, in connection with Examination of the internal structure of the Ontario Securities Commission.....	25,000.00		20,278.78	
Sept. 30, 1965	Subsidizing the University of Toronto for a research project on sentencing in the Ontario Magistrates' Courts.....	15,000.00		15,000.00	
Sept. 30, 1965	Assisting Municipalities with the cost of applications under The Boundaries Act.....	23,000.00		22,725.00	
		63,000.00		58,003.78	
Department of Economics and Development					
Oct. 28, 1965	Administering the Ontario Advisory Committee on Confederation.....	42,500.00		31,960.00	
Department of Education					
July 29, 1965	Expenses in 1965-66 for the Provincial Committee on Aims and Objectives of Education in the Schools of Ontario.....	95,000.00		50,297.00	
Jan. 20, 1966	Payment to a school board which is in such financial difficulty that it may be necessary to close the school which is operated for approximately two hundred pupils.....	40,000.00		40,000.00	
		135,000.00		90,297.00	

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Health		
Dec. 9, 1965	Special grant to enable The Ontario Cancer Treatment and Research Foundation to acquire properties adjoining and adjacent to the Princess Margaret Hospital in order that a much needed expansion of treatment and research facilities can be implemented.....	600,000.00	600,000.00
	Department of Labour		
Sept. 16, 1965	Arbitration Boards, re: The Hospital Labour Disputes Arbitration Act, 1965.....	45,000.00	8,736.39
Oct. 28, 1965	Board of Review—as established under The Operating Engineers Act, 1965.....	10,000.00	4,239.34
		55,000.00	12,975.73
	Department of Lands and Forests		
Sept. 16, 1965	Province of Ontario's contribution for a conference on "Pollution and our Environment" sponsored by the Canadian Council of Resource Ministers..	11,868.00	11,868.00
Jan. 13, 1966	Allowance to Fernando Fortier re fatal drowning accident of Rene J. Fortier.....	2,000.00	2,000.00
		13,868.00	13,868.00
	Office of Lieutenant Governor		
Aug. 5, 1965	Expenses incurred in connection with the visit to the Province of His Imperial Majesty The Shahanshah of Iran and The Empress Farah Pahlavi.....	15,910.82	15,910.82
	Department of Municipal Affairs		
Sept. 22, 1965	Reducing the cost suffered as a result of the flood which struck the Township of Esquesing.....	2,000.00	1,973.52
Nov. 10, 1965	Entitlement of municipalities under subsections (1) and (2) of The Municipal Unconditional Grants Amendment Act, 1964.....	2,100,000.00	2,028,637.19
Jan. 20, 1966	Assistance towards the cost of revising a course of study for the Association of Municipal Clerks and Treasurers.....	8,815.00	8,815.00
		2,110,815.00	2,039,425.71

DATE OF WARRANT	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Public Welfare				
Aug. 5, 1965	Grant to the Executive Committee of the Canadian Conference on Aging to help defray expenses of the Canadian Conference on Aging held in Toronto from January 24th to January 28th, 1966	7,000.00		7,000.00	
Jan. 20, 1966	Salaries, Travelling Expenses, Maintenance, Training Expenses, for a staff of twenty-five employees, payments of necessary costs of an Indian Committee and expenses of Community and Welfare Projects under the Welfare Program for Indians and Community Development Programs for Indian Agreements.....	166,000.00		23,478.99	
		173,000.00		30,478.99	
	Treasury Department				
Jan. 13, 1966	Employer's contribution to Canada Pension Plan..	1,200,000.00		1,009,346.68	
	Department of University Affairs				
Sept. 16, 1965	Grants to the new University of Ottawa for faculties other than Medicine and Science for the fiscal year 1965-66.....	2,400,000.00		2,400,000.00	
	Total Special Warrants.....	16,740,093.82		12,733,461.2	

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PROVINCIAL AUDITOR'S REPORT 1966-67

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



ONTARIO



TORONTO

PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER
1967



PROVINCIAL AUDITOR'S REPORT

1966-67

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO
SESSIONAL PAPER No. 3, 1968



ONTARIO

TORONTO
PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER
1967

TO THE HONOURABLE W. EARL ROWE, P.C.(C.), LL.D., D.Sc.Soc.,
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

The undersigned has the honour to present to Your Honour the following report for the fiscal year ended March 31st, 1967, in accordance with the requirements of The Audit Act.

Respectfully submitted,

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Provincial Auditor's Office,
Toronto, November 24, 1967.

REPORT OF THE PROVINCIAL AUDITOR TO THE
LEGISLATIVE ASSEMBLY OF ONTARIO FOR THE
FISCAL YEAR ENDED MARCH 31st, 1967, IN
ACCORDANCE WITH THE REQUIREMENTS OF
THE AUDIT ACT.

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REPORT OF THE PROVINCIAL AUDITOR

1966 - 1967

I have the honour to report to the Legislative Assembly on the examination and audit of the accounts of the Province of Ontario for the fiscal year ended March 31, 1967, in accordance with the requirements of section 20 of The Audit Act.

I have examined the Balance Sheet of the Province of Ontario as at March 31, 1967, the Statements of Revenue and Expenditure for the year ended on that date and other related statements, and have compared them with the books of account and financial records. I have obtained all the information and explanations I have required.

Subject to the qualifications in this report, in my opinion and according to the best of my information and the explanations given to me and as shown by the books of the Province, the Balance Sheet, Statements of Revenue and Expenditure and other related statements are properly drawn up in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year so as to present fairly the financial position of the Province as at March 31, 1967, and the results of its operations for the year then ended with the exception that a modification, with which I agree, has been made in the presentation of the Investments and Liabilities of Provincial Crown Corporations on the Balance Sheet of the Province. It has been decided that items of accrued interest and discount of the Provincial Crown Corporations, formerly included as part of the totals of Investments and Liabilities of Provincial Crown Corporations under Capital Assets and Liabilities, will now appear as separate items under Income Assets and Liabilities so as to avoid affecting the Net Capital Debt of the Province by items which do not represent cash transactions.

BASIS OF ACCOUNTING

Government accounting systems are generally based on a cash basis of reporting since departmental expenditures are regulated by the Estimates on a cash basis submitted to and approved by the Legislature.

The accounts of the Province of Ontario have been kept on a cash basis as in previous years. The Balance Sheet has been prepared so as to present the financial position of the Province as at March 31, 1967 on a modified accrual basis with the adjustments necessary to give effect thereto being made through Surplus Account.

OPERATIONS FOR 1966-67

The Honourable James N. Allan, as Treasurer of Ontario, in his address to the Legislative Assembly of Ontario on February 9, 1966, presented budget forecasts for the fiscal year ended March 31, 1967. The Honourable Charles S. MacNaughton, as Treasurer of Ontario, presented interim statements on February 14, 1967 for the same fiscal year showing eight months' actual results plus four months' forecast.

The following statements compare the budget forecasts, after including supplementary Estimates, with the actual results for the year ended March 31, 1967. Comparative summaries of the interim statements (eight months' actual plus four months' forecast) and the actual results for the year ended March 31, 1967, are appended to this report together with certain other statements and parts as detailed on page 39. Figures referred to in various parts of this report may vary by one dollar due to rounding amounts to the nearest dollar.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET ORDINARY
REVENUE FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

DEPARTMENT	BUDGET NET ORDINARY REVENUE	ACTUAL NET ORDINARY REVENUE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture and Food.....	\$ 1,958,000	\$ 1,241,245	\$	\$ 716,755
Attorney General.....	14,348,000	14,188,042		159,958
Economics and Development.....	10,000	70,328	60,328	
Education.....	5,840,000	5,899,760	59,760	
Energy and Resources Management	532,000	487,428		44,572
Financial and Commercial Affairs.		480,993	480,993	
Health.....	4,255,000	5,177,495	922,495	
Highways.....	3,571,000	3,793,506	222,506	
Labour.....	1,966,000	2,073,396	107,396	
Lands and Forests.....	26,100,000	26,288,442	188,442	
Mines.....	13,880,000	12,321,097		1,558,903
Municipal Affairs.....	1,045,000	822,106		222,894
Prime Minister.....		55	55	
Provincial Secretary and Citizenship	3,636,000	3,741,620	105,620	
Public Works.....	1,328,000	1,429,422	101,422	
Reform Institutions.....	922,000	883,837		38,163
Social and Family Services.....	40,000	28,970		11,030
Tourism and Information.....	1,373,000	1,666,360	293,360	
Transport.....	93,501,000	100,343,311	6,842,311	
Treasury:				
Main Office—Subsidies.....	4,624,000	4,624,070	70	
Interest.....	72,000	72,633	633	
Miscellaneous.....	75,000	30,888		44,112
Ontario Racing Commission....	140,000	177,977	37,977	
Liquor Control Board of Ontario	133,000,000	133,700,000	700,000	
Public Utilities Tax.....	1,000,000	1,050,879	50,879	
Water Power Rentals.....	6,000,000	7,367,514	1,367,514	
Pension Commission of Ontario.		97,599	97,599	
Revenue Division:				
Income Tax Collection Agree-				
ment.....	362,485,000	393,836,627	31,351,627	
Corporations Tax.....	258,000,000	274,499,829	16,499,829	
Retail Sales Tax.....	383,000,000	385,574,600	2,574,600	
Gasoline Tax.....	257,000,000	266,391,391	9,391,391	
Succession Duty.....	55,000,000	57,913,234	2,913,234	
Share of Federal Estate Tax...	17,188,000	19,742,750	2,554,750	
Tobacco Tax.....	18,000,000	18,553,413	553,413	
Motor Vehicle Fuel Tax, etc.	18,000,000	18,196,827	196,827	
Race Tracks Tax.....	12,000,000	14,672,636	2,672,636	
Hospitals Tax, etc.....	7,000,000	8,128,478	1,128,478	
Land Transfer Tax.....	13,000,000	8,527,987		4,472,013
Logging Tax.....	3,000,000	1,744,835		1,255,165
Security Transfer Tax.....	4,000,000	3,502,503		497,497
Total for Treasury.....	\$1,552,584,000	\$1,618,406,670	\$72,091,457	\$ 6,268,700
University Affairs.....		76,983	76,983	
Stationery Account.....		46,265	46,265	
	<u>\$1,726,889,000</u>	<u>\$1,799,467,331</u>	<u>\$ 81,599,393</u>	<u>\$ 9,021,000</u>

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

DEPARTMENT	BUDGET* NET ORDINARY EXPENDITURE	ACTUAL NET ORDINARY EXPENDITURE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture and Food.....	\$ 25,686,000	\$ 30,815,048	\$ 5,129,048	\$
Attorney General.....	45,111,000	47,449,595	2,338,595	
Civil Service.....	1,451,000	1,443,096		7,904
Economics and Development.....	11,665,000	15,147,335	3,482,335	
Education.....	575,494,000	557,039,221		18,454,779
Energy and Resources Management	11,133,400	10,610,537		522,863
Financial and Commercial Affairs.		794,996	794,996	
Health.....	252,810,000	213,241,515		39,568,485
Highways.....	107,886,000	115,886,991	8,000,991	
Labour.....	8,488,000	9,751,725	1,263,725	
Lands and Forests.....	33,626,000	36,307,310	2,681,310	
Lieutenant Governor.....	33,000	32,392		608
Mines.....	3,014,000	2,980,594		33,406
Municipal Affairs.....	54,037,000	49,429,227		4,607,773
Prime Minister.....	272,000	255,752		16,248
Provincial Auditor.....	647,000	657,466	10,466	
Provincial Secretary and Citizenship	5,516,000	6,233,616	717,616	
Public Works.....	15,826,000	17,234,378	1,408,378	
Reform Institutions.....	21,501,000	22,523,339	1,022,339	
Social and Family Services.....	90,239,000	90,872,535	633,535	
Tourism and Information.....	8,435,000	9,017,494	582,494	
Transport.....	9,022,000	9,134,614	112,614	
Treasury.....	34,187,000	35,164,626	977,626	
University Affairs.....	102,783,000	103,075,356	292,356	
	<u>\$1,418,862,400</u>	<u>\$1,385,098,758</u>	<u>\$ 29,448,424</u>	<u>\$63,212,066</u>
Public Debt:				
Interest, etc.....	77,274,000	62,022,423		15,251,577
Provision for Sinking Fund.....	42,000,000	42,000,000		
Total Budget.....	<u>\$1,538,136,400</u>	<u>\$1,489,121,181</u>	<u>\$ 29,448,424</u>	<u>\$78,463,643</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	198,000,000	310,000,000	112,000,000	
	<u>\$1,736,136,400</u>	<u>\$1,799,121,181</u>	<u>\$141,448,424</u>	<u>\$78,463,643</u>

*Includes Supplementary Estimates.

COMPARATIVE SUMMARY

**BUDGET AND ACTUAL NET ORDINARY REVENUE AND NET ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

	BUDGET*	ACTUAL	ACTUAL TO BUDGET
Net Ordinary Revenue.....	<u>\$1,726,889,000</u>	<u>\$1,799,467,331</u>	<u>\$ 72,578,331</u>
Less: Net Ordinary Expenditure (before items below).....	<u>\$1,496,136,400</u>	<u>\$1,447,121,181</u>	<u>\$ 49,015,219</u>
Provision for Sinking Fund.....	42,000,000	42,000,000	
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	198,000,000	310,000,000	112,000,000
Net Ordinary Expenditure.....	<u>\$1,736,136,400</u>	<u>\$1,799,121,181</u>	<u>\$ 62,984,781</u>
Surplus.....	<u>\$ 9,247,400</u>	<u>\$ 346,150</u>	<u>\$ 9,593,550</u>

Includes Supplementary Estimates.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET CAPITAL RECEIPTS
FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

DEPARTMENT	BUDGET NET CAPITAL RECEIPTS	ACTUAL NET CAPITAL RECEIPTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Education:				
Provincial Student-Aid Loans.....	\$ 1,500,000	\$ 1,158,506	\$	\$ 341,494
Energy and Resources Management:				
Abandoned Works Fund—Fees.....		1,669	1,669	
Contract Security Deposits.....		8,000	8,000	
Conservation Authorities—				
Recovery of Grants.....		25,014	25,014	
Miscellaneous.....		3,005	3,005	
Health:				
Ontario Medical Services Insurance				
Plan.....		2,283,924	2,283,924	
Highways:				
Sale of Land and Buildings.....	340,000	198,483		141,517
Contract Security Deposits.....		23,235	23,235	
Miscellaneous.....		87,630	87,630	
Labour:				
Vacation-with-Pay Stamps.....	9,500,000	14,099,756	4,599,756	
Contract Security Deposits.....		3,500	3,500	
Lands and Forests:				
Sale of Land.....	420,000	805,299	385,299	
Logging Roads.....	320,000	307,039		12,961
Summer Resort Roads.....		17,014	17,014	
Contract Security Deposits.....		6,600	6,600	
Mines:				
Sale of Mining Lands.....		2,781	2,781	
Deposits re Mining Tax under Dispute		1,125	1,125	
Municipal Affairs:				
The Municipal Works Assistance Act,				
1963—				
Government of Canada—				
Forgiveness.....	15,000,000	9,592,427		5,407,573
Forgiveness—Prepayment....		525,730	525,730	
Contract Security Deposits.....		20,000	20,000	
Public Works:				
Sale of Land and Buildings, etc.....		131,097	131,097	
Sale of Material.....		35,245	35,245	
Contract Security Deposits.....		15,740	15,740	
Social and Family Services:				
Old Age Assistance, etc.....		8,142	8,142	
Transport:				
Motor Vehicle Accident Claims Fund	7,000,000	8,880,136	1,880,136	
Treasury:				
Appropriation from Ordinary				
Account—				
Provision for Sinking Fund.....	42,000,000	42,000,000		
Loans and Advances.....	12,720,000	19,310,648	6,590,648	
Special Funds—				
Public Service Superannuation Fund	43,150,000	44,895,278	1,745,278	
Ontario Municipal Employees				
Retirement Fund.....	4,200,000	5,175,000	975,000	
Ontario Hospital Services Com-				
mission.....		2,000,000	2,000,000	
Education.....		2,181,025	2,181,025	
Other.....	669,000	1,215,486	546,486	
Discount and Exchange on				
Debentures.....	1,853,000	1,885,022	32,022	
Other.....		64,897	64,897	
	<u>\$138,672,000</u>	<u>\$156,968,453</u>	<u>\$24,199,998</u>	<u>\$ 5,907,545</u>

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET CAPITAL
DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

DEPARTMENT	BUDGET NET CAPITAL DISBURSE- MENTS	ACTUAL NET CAPITAL DISBURSE- MENTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture and Food:				
The Co-operative Loans Act—Loans \$	400,000	\$ 600,400	\$ 200,400	\$
Economics and Development:				
The Sheridan Park Corporation—				
Advances.....		320,000	320,000	
Ontario Housing Corporation—				
Advances.....	9,750,000	12,250,000	2,500,000	
Ontario Student Housing Corpora- tion—Advances.....		350,000	350,000	
Education:				
Provincial Student-Aid Loans.....	100,000			100,000
Energy and Resources Management:				
Bonus for Rural Primary and Second- ary Lines.....	990,000	430,389		559,611
Province's share of the costs of land development, engineering, flood control programs of the Conser- vation Authorities.....	8,715,000	3,968,471		4,746,529
The Hydro-Electric Power Commis- sion of Ontario—				
Province's share of cost of con- struction and installation—				
Nuclear Powered Generating Station.....	3,900,000	5,242,269	1,342,269	
Ontario Water Resources Commis- sion—				
Construction of projects, instal- lation of plant and equipment..	35,000,000	20,692,055		14,307,945
Water Management Program.....	5,550,000	1,268,388		4,281,612
Health:				
Loans—The Public Hospitals Act, Sec. 5a.....	12,993,000	12,993,000		
Highways:				
Highway Construction.....	129,404,000	133,126,286	3,722,286	
Development and Other Roads.....	19,300,000	18,525,508		774,492
Municipal Subsidies.....	74,500,000	75,431,602	931,602	
Contingencies.....	35,000			35,000
Sundry Projects.....	1,415,000	1,199,300		215,700
Planning and Design.....	13,044,000	12,902,498		141,502
Property Purchases.....	13,917,000	19,609,263	5,692,263	
Research and Sundry Engineering Services.....	4,464,000	4,603,723	139,723	
Commuter Rail Project.....	9,300,000	9,282,421		17,579
Labour: Vacation-with-Pay Stamps..	9,500,000	13,136,511	3,636,511	
Land and Forests:				
Access Roads—Summer Resort Sub- divisions.....	100,000	53,032		46,968
Logging and Forest Access Roads...	793,000	748,694		44,306
Parks—Acquisition of Land, Con- struction of Buildings, etc.....	4,500,000	5,103,863	603,863	
Lines: Mining and Access Roads.....	500,000	331,766		168,234
Municipal Affairs:				
Townsites—Investigation, Design, etc.....	900,000	1,152,123	252,123	
Loans to Municipalities.....	305,000	300,000		5,000
Loans—The Municipal Works Assis- tance Act, 1963.....	47,500,000	27,003,026		20,496,974
Forgiveness Feature—The Municip- al Works Assistance Act, 1963..	18,400,000	9,605,904		8,794,096

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET CAPITAL
DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967
(Continued)**

DEPARTMENT	BUDGET NET CAPITAL DISBURSE- MENTS	ACTUAL NET CAPITAL DISBURSE- MENTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Public Works:				
Architectural and Engineering.....	\$ 1,925,000	\$ 1,940,585	\$ 15,585	\$
Purchasing.....	524,000	476,990		47,010
Property and Surveys.....	544,000	557,014	13,014	
Purchase of Property and Construc- tion of Buildings.....	37,007,000	42,821,748	5,814,748	
Construction of Dams, Docks and Locks.....	1,000,000	1,239,500	239,500	
Social and Family Services:				
Rehabilitation Services, etc.....		77,456	77,456	
Transport:				
Motor Vehicle Accident Claims Fund	4,615,000	5,212,980	597,980	
Treasury:				
Loans and Advances—				
The Ontario Junior Farmer Estab- lishment Loan Corporation....	14,500,000	16,210,431	1,710,431	
The Ontario Municipal Improve- ment Corporation.....	1,600,000	1,001,000		599,000
The Ontario Universities Capital Aid Corporation.....	150,000,000	93,105,000		56,895,000
Tile Drainage Debentures.....	2,500,000	2,148,926		351,074
The Ontario Education Capital Aid Corporation.....		166,185,000	166,185,000	
Ontario Development Corporation		7,738,000	7,738,000	
The Hydro-Electric Power Com- mission of Ontario.....		34,693,750	34,693,750	
Ontario Northland Transportation Commission.....		3,800,000	3,800,000	
Special Funds—				
Public Service Superannuation Fund.....	17,000,000	17,502,936	502,936	
Legislative Assembly Retirement Allowances Account.....	75,000	67,491		7,509
Ontario Municipal Employees Retirement Fund.....	4,100,000	4,300,000	200,000	
Ontario Hospital Services Com- mission—Special Account....	13,000,000	13,000,000		
Queen Elizabeth II Ontario Scholarship Fund—Income Account.....	25,000	25,000		
Registry Offices—Surplus Fees...	300,000	479,155	179,155	
Refunds of Capital Receipts, prior years.....	200,000	239,511	39,511	
Government of Canada—Repay- ment under Tax Rental Agree- ment, 1952-56.....		599,179	599,179	
Other.....		58,701	58,701	
	<u>\$674,190,000</u>	<u>\$803,710,845</u>	<u>\$242,155,986</u>	<u>\$112,635,141</u>
Less: Financed out of Ordinary Revenue	198,000,000	310,000,000	112,000,000	
	<u>\$476,190,000</u>	<u>\$493,710,845</u>	<u>\$130,155,986</u>	<u>\$112,635,141</u>

The estimated gross expenditure for the year, as shown on page 5 of the 1966-67 Estimates, was \$2,322,803,000. In addition to this amount Supplementary Estimates of \$9,905,400 were voted by the Legislature in March 1967, bringing the total estimates to \$2,332,708,400. The related actual gross expenditure of \$2,443,456,050 exceeded the total estimates by \$110,747,650.

In the Budget Statement presented by the Treasurer of Ontario on February 9, 1966, it was estimated that capital disbursements of \$198,000,000 would be financed out of Ordinary Revenue. The actual net revenue for the fiscal year ended March 31, 1967 permitted \$310,000,000 to be applied to Capital Disbursements.

The following statement summarizes the increases or decreases in actual gross expenditure relative to the total estimated gross expenditure.

**COMPARATIVE STATEMENT OF TOTAL ESTIMATES AND ACTUAL GROSS
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

CLASSIFICATION	TOTAL ESTIMATES GROSS	ACTUAL GROSS	ACTUAL TO ESTIMATES	
			INCREASE	DECREASE
Ordinary—				
Voted—				
Main Estimates.....	\$1,422,582,500			
Supplementary Estimates .	9,905,400			
	<u>\$1,432,487,900</u>	<u>\$1,402,427,187</u>		<u>\$30,060,713</u>
Statutory.....	207,371,500	212,917,973	\$ 5,546,473	
Special Warrants.....		6,150,434	6,150,434	
Capital Disbursements financed out of Ordinary Revenue ..	198,000,000	310,000,000	112,000,000	
	<u>\$1,837,859,400</u>	<u>\$1,931,495,594</u>	<u>\$123,696,907</u>	<u>\$30,060,713</u>
Capital—				
Voted—				
Main Estimates.....	\$ 418,044,000	\$ 417,884,077		\$ 159,923
Statutory.....	274,805,000	404,076,379	\$129,271,379	
	<u>\$ 692,849,000</u>	<u>\$ 821,960,456</u>	<u>\$129,271,379</u>	<u>\$ 159,923</u>
Deduct—				
Capital Disbursements financed out of Ordinary Revenue.....	198,000,000	310,000,000	112,000,000	
	<u>\$ 494,849,000</u>	<u>\$ 511,960,456</u>	<u>\$ 17,271,379</u>	<u>\$ 159,923</u>
	<u>\$2,332,708,400</u>	<u>\$2,443,456,050</u>	<u>\$140,968,286</u>	<u>\$30,220,636</u>

**Summary of Net Increases or Decreases in Actual Gross as Compared
with Total Estimates of Gross Expenditure**

CLASSIFICATION	INCREASE	DECREASE
Voted.....		\$30,220,636
Statutory.....	\$134,817,852	
Special Warrants.....	6,150,434	
	<u>\$140,968,286</u>	<u>\$30,220,636</u>

The net increases or decreases in actual gross as compared with total estimates of gross expenditure are commented on in the following paragraph under the classification of voted, statutory and special warrants:

VOTED

Expenditure appropriations and actual gross expenditures are summarized as follows:

	EXPENDITURE APPROPRIATIONS AUTHORIZED BY THE LEGISLATIVE ASSEMBLY	ACTUAL GROSS EXPENDITURES	EXCESS OF AUTHORIZED OVER ACTUAL GROSS EXPENDITURES
Ordinary Account.....	\$1,432,487,900	\$1,402,427,187	\$30,060,713
Capital Account.....	418,044,000	417,884,077	159,923
	<u>\$1,850,531,900</u>	<u>\$1,820,311,264</u>	<u>\$30,220,636</u>

The principal items accounting for the net under-expenditures were:

	UNDER	OVER
Payments in accordance with The Medical Services Insurance Act, 1965.....	\$36,061,702	
Construction of projects by the Ontario Water Resources Commission.....	14,307,945	
Winter Maintenance—highways.....		\$ 6,999,682
Construction of new buildings.....		5,814,748
Property purchases by Department of Highways.....		5,498,970
Federal-Provincial Agreements—education.....		5,398,432

In all cases where the actual expenditure exceeded the original appropriation, the necessary authority was obtained by treasury board order before the accounts were approved for payment.

Treasury board orders and expenditures relating thereto are summarized as follows:

	TOTAL TREASURY BOARD ORDERS AUTHORIZED	ACTUAL EXPENDITURES RE TREASURY BOARD ORDERS	TREASURY BOARD ORDERS EXCEED ACTUAL EXPENDITURES
Ordinary Account.....	\$ 71,873,200	\$65,143,361	\$ 6,729,839
Capital Account.....	29,046,000	25,885,052	3,160,948
	<u>\$100,919,200</u>	<u>\$91,028,413</u>	<u>\$ 9,890,787</u>

Treasury board orders totalling \$183,000 used for temporary financing form part of the \$9,890,787. The expenditures of \$91,028,413 form part of the total gross expenditure of \$1,820,311,264 referred to on the previous page and are not in addition thereto.

Details of treasury board orders issued and the amounts expended are shown on pages 57-74 of this report.

It will be noted from the amounts shown in the statement of gross expenditure that the Voted Actual Gross Expenditure (which includes expenditures under treasury board orders) is less than the total of the related gross estimates. The same situation exists with respect to Total Net Ordinary and Capital Voted Expenditure. These are shown in graphic form for the past 10 years on pages 50-51 of this report.

STATUTORY

The Estimates for statutory gross expenditure and the actual statutory gross expenditure, excluding public debt, are summarized as follows:

	ESTIMATES— STATUTORY GROSS EXPENDITURE	ACTUAL STATUTORY GROSS EXPENDITURE	EXCESS OF ACTUAL STATUTORY GROSS OVER ESTIMATES
Ordinary Account....	\$207,371,500	\$212,917,973	\$ 5,546,473
Capital Account.....	274,805,000	404,076,379	129,271,379
	<u>\$482,176,500</u>	<u>\$616,994,352</u>	<u>\$134,817,852</u>

The major items accounting for the excess of \$134,817,852 are summarized below:

	OVER	UNDER
Loans—		
The Municipal Works Assistance Act, 1963.....	.....	\$20,496,974
The Municipal Works Assistance Act, 1963—Forgiveness Feature.....	.....	8,794,096
Advances—		
The Ontario Universities Capital Aid Corporation.....		56,895,000
The Ontario Education Capital Aid Corporation.....	\$166,185,000	
The Hydro-Electric Power Commission of Ontario.....	34,693,750	
Ontario Northland Transportation Commission.....	3,800,000	
The Ontario Junior Farmer Establishment Loan Corporation	1,710,431	
Ontario Development Corporation.....	738,000	
Investments—		
Ontario Development Corporation.....	7,000,000	

SPECIAL WARRANTS

Special Warrants were authorized under subsection 1, section 29, of The Financial Administration Act in the amount of \$7,583,463 during the year ended March 31, 1967. Actual expenditures relative thereto were \$6,150,434, a reduction of \$6,583,027 from those of the preceding year.

PRINCIPAL ITEMS OF NET ORDINARY REVENUE AND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1967

An analysis of net ordinary revenue and expenditure for the fiscal year ended March 31, 1967 showing the percentage of each item to the total, classified by major categories, is presented in the following statements:

NET ORDINARY REVENUE

		%
Income Tax.....	\$ 393,836,627	21.89
Retail Sales Tax.....	385,574,600	21.43
Corporations Tax.....	274,499,829	15.25
Gasoline Tax.....	266,391,391	14.80
Liquor Profits, Gallonage Fees, etc.....	133,700,000	7.43
Motor Vehicle Permits and Licenses, Fees, etc.....	100,168,713	5.57
Succession Duty.....	57,913,234	3.22
Government of Canada—Proportion of Estate Tax.....	19,742,750	1.10
Tobacco Tax.....	18,553,413	1.03
Motor Vehicle Fuel Tax.....	18,196,596	1.01
Race Tracks Tax.....	14,672,636	.81
Timber—Stumpage Charges.....	13,273,094	.74
Mines Profits Tax.....	10,640,398	.59
Administration of Justice—Fees, Fines, etc.....	10,196,251	.57
Land Transfer Tax.....	8,527,987	.47
Hospitals Tax.....	8,126,609	.45
Water Power Rentals.....	7,367,514	.41
Fish and Wildlife Licenses, Royalties, etc.....	6,746,464	.37
Government of Canada—Annual Subsidies.....	4,624,070	.26
All other revenue.....	46,715,155	2.6
	<u>\$1,799,467,331</u>	<u>100.0</u>

NET ORDINARY EXPENDITURE

Education—			%
Department of Education.....	\$557,039,221		
Department of University Affairs.....	103,075,356		
		\$660,114,577	36.69
Health Services.....		213,241,515	11.85
Highways and Roads.....		115,886,991	6.44
Public Debt—			
Interest, etc.....	\$ 62,022,423		
Provision for Sinking Fund.....	42,000,000		
		104,022,423	5.78
Social and Family Services.....		90,872,535	5.05
Grants to Municipalities, etc.....		49,429,227	2.75
Law Enforcement, Administration of Justice, etc.....		47,449,596	2.64
Conservation of Forests, Fish and Wildlife.....		36,307,310	2.02
Agricultural Services, Grants, etc.....		30,815,048	1.71
Reform Institutions.....		22,523,338	1.25
Public Buildings—Maintenance and Repairs.....		17,234,378	.96
Economic and Development Programs.....		15,147,335	.84
Management of Energy and Resources.....		10,610,537	.59
All other expenditures.....		75,466,371	4.20
		\$1,489,121,181	82.77
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....		310,000,000	17.23
		\$1,799,121,181	100.00

A graphic presentation of the major items of net ordinary revenue and net ordinary expenditure, shown on pages 42-49 of this report, compares these items for the five years ended March 31, 1967.

GENERAL

The total net ordinary revenue of the Province was \$1,799,467,331 for the year ended March 31, 1967. This is an increase of \$356,622,172 over the revenue for the year ended March 31, 1966. The total net ordinary expenditure was \$1,799,121,181, an increase of \$357,371,769 over that of the previous year.

I refer hereunder to some of the larger items of revenue and expenditure and other matters relating to the operations for the year ended March 31, 1967.

Individual income tax, retail sales tax, corporations tax, gasoline tax, liquor control revenues, motor vehicle licenses and fees, and succession duty continue to be the main sources of ordinary revenue, providing \$1,612,084,394 or approximately 90% of the total net ordinary revenue of the Province. This is \$331,427,938 more than the amount collected from the same seven sources in the previous year. The balance of net ordinary revenue of \$187,382,937 is the total from all other sources. These other sources, although producing smaller individual amounts than those mentioned above, represent important operations of the Province.

The main items of ordinary expenditure, excluding capital disbursements of \$310,000,000 financed out of ordinary revenue, were the costs of education, health services, highways, public debt charges including provision for sinking fund, and social and family services. The expenditure for these items was \$1,184,138,041 or approximately 66% of the total net ordinary expenditure for the year. This is an increase of \$219,904,037 over the cost of the same

items for the preceding year. The balance of net ordinary expenditure of \$304,983,140 was the cost of all other operations for the year under review. The items making up this balance, although not as large as those mentioned on the previous page, continue to occupy a vital place in the overall programme of the Province.

In accordance with the provisions of The Income Tax Act, 1961-62, the amount of \$393,836,627 was received during the year, an increase of \$101,432,785 over the amount received in the previous year. The large increase reflects the additional participation in personal income tax made available to the Province by the Government of Canada.

The Province received from the Government of Canada, as agreed, a proportion of estate tax in the amount of \$19,742,750. This is an increase of \$2,905,250 over the amount received in the previous year.

Education continues to be the most costly service provided by the Province. Expenditures by the Department of Education and the Department of University Affairs amounted to \$660,114,577 or 36.69% of the total net ordinary expenditure for the year. This is an increase of \$147,010,427 over the expenditures for the previous year. In addition, the Province advanced capital funds to The Ontario Universities Capital Aid Corporation in the amount of \$93,105,000 and to The Ontario Education Capital Aid Corporation in the amount of \$166,185,000. These advances were made to enable these corporations to invest in debentures of universities and municipalities issued for educational purposes.

During the year a repayment of \$599,179 was made to the Government of Canada under the terms of the Canada-Ontario Tax Rental Agreement, 1952-56. This amount represents the actual over estimated succession duty credits, with interest thereon, allowed by the Federal Department of National Revenue during the year ended March 31, 1966 in connection with estates of persons who died during the five-year period from April 1, 1952 to March 31, 1957. This payment relates to accounts of prior years and, therefore, has been charged to Surplus Account.

Gross capital disbursements for investment in physical assets were made during the year as follows:

Highways and Roads:		
Highways.....	\$265,398,181	
Mining, Access and Logging Roads.....	1,133,491	
		\$266,531,672
Land and Buildings.....		45,690,869
General Works and Improvements:		
Commuter Rail Project.....	\$ 9,282,421	
Conservation Projects, etc.....	4,746,218	
Dams, Docks and Locks.....	1,239,500	
Special Projects re Townsites.....	767,723	
		16,035,869
Provincial Parks.....		5,103,86
Rural Power Transmission Lines.....		430,38
		\$333,792,65
Less—Financed out of Ordinary Revenue.....		310,000,00
		<u>\$ 23,792,65</u>

Gross capital disbursements of \$265,398,181 were made by the Department of Highways on King's Highways, Development Roads, Municipal Subsidies, etc., during the year. This amount is an increase of \$26,849,950 over the capital disbursements of the previous year. In addition, ordinary expenditures of the Department of Highways for maintenance of highways and roads and other operating expenses amounted to \$115,886,991.

The Department of Lands and Forests disbursed \$801,725 on logging and access roads and the Department of Mines disbursed \$331,766 on mining and access roads.

The investment in land and buildings was increased during the year by gross capital disbursements of \$45,690,869, an increase of \$10,960,449 over the previous year.

Gross capital disbursements for general works and improvements were \$16,035,862, an increase of \$12,246,180 over the amount disbursed for the year 1965-66. The main item accounting for this increase was the increase in disbursements on commuter rail project of \$9,251,434.

The Department of Lands and Forests disbursed \$5,103,863 for the acquisition of land for, and the development of, parks and recreational areas.

During the year ended March 31, 1967, \$310,000,000 or 93% of the gross capital disbursements invested in physical assets of the Province was financed out of ordinary revenue. This is an increase of \$83,000,000 over the amount financed out of ordinary revenue during the year ended March 31, 1966.

The Province contributed \$27,928,678 to the Teachers' Superannuation Fund in accordance with sections 23 and 24 of The Teachers' Superannuation Act and \$12,579,894 to the Public Service Superannuation Fund in accordance with section 8 of The Public Service Superannuation Act. In addition, payments were made on the unfunded liability of each Fund as required by section 2 (12) of Ontario Regulation 103/66 under The Pension Benefits Act. The payments made were \$14,889,000 to the Teachers' Superannuation Fund and \$4,131,000 to the Public Service Superannuation Fund on the estimated unfunded liability at January 1, 1965 of \$330,861,000 and \$82,616,000 respectively.

The Standing Committee on Public Accounts, during the last Session of the Legislative Assembly, examined the 1965-66 Public Accounts as follows:

1. Department of Mines.
2. Department of Municipal Affairs.
3. Department of Public Welfare.
4. Department of Reform Institutions.
5. Department of Tourism and Information.
6. Department of Transport.
7. Department of University Affairs.

I was present at all the meetings except those during which the Committee drafted its report. The report of the Committee was tabled in the House June 13, 1967.

AUDIT OF REVENUE

A continuous post audit of the revenues of the Province is being maintained. Systematic examinations of the revenue records and related data of various Departments have been made during the year in accordance with generally accepted auditing standards applicable in the circumstances.

The Departments are directly responsible for the clerical accuracy of revenue accounts, the efficiency of systems in operation, and the speed with which billings and assessments are made and collections effected. While, as Auditor, I am concerned with these factors, my prime interest is to examine the accounting systems and internal controls that are being maintained in those areas. The information obtained as a result of these examinations is most important in determining the reliability of the accounting process and enables me to be of the opinion that a proper accounting is being made of the revenues of the Province.

Reports on the various audits and examinations performed during the year have been submitted to the Ministers of the various Departments concerned, and to the officials of Boards and Commissions where applicable.

A situation which I feel requires review and consideration is that of the Mine Assessor in the Department of Mines. The Mining Tax Act places wide discretionary powers in the hands of the Mine Assessor, subject only to subsequent appeal. This is particularly evident with respect to the special allowances made in arriving at "pit's mouth" value for all mining operations. In addition, the Mine Assessor is also the Comptroller of the Department. Thus the person who exercises these discretionary powers is the same person who carries on administrative dealings with the taxpayers and makes final arrangements with them.

AUDIT OF EXPENDITURE

A continuous audit of expenditures of the Province was maintained during the fiscal year ended March 31, 1967, in accordance with the requirements of The Audit Act.

Under authority granted to the Provincial Auditor in section 9 (3) of The Audit Act, certain expenditure vouchers were admitted as satisfactory after determining that they had been examined and certified correct by the Departments concerned and having regard to the character of the Departmental examination.

Under the provisions of The Audit Act, no payment for expenditures from the Consolidated Revenue Fund can be made until the Provincial Auditor has satisfied himself that there is legislative authority for the payment, that there is a legislative appropriation sufficient to cover the proposed expenditure and that the payment is proper in all other respects. The procedure followed to give effect to the above provisions is generally described as a pre-audit of expenditures.

A common misconception of "pre-audit" is that the Auditor has staff stationed in each Department working side by side on a day-to-day basis with employees of the Departments. This envisages a close personal relationship and the possibility of a lack of impartiality when dealing with the accounts. In actual practice this is not the case. In the main, pre-audit work is done by the members of my staff while located in my own Office. If a requisition is faulty in any respect it is returned to the Department concerned along with a rejection slip requesting explanations or corrections. These routine procedures constitute the relationship of my auditors with the Departments and do not create close relationships with staff members of the various Departments.

During the year under review 94,358 requisitions for payment were received for pre-audit and 5,444 of these were returned for various reasons, including errors in the amount payable, for the necessary corrective action. Closely related to the pre-audit of expenditures is the checking of claims under Federal-Provincial shared cost agreements. A summary of changes in amounts of \$500 or over resulting from these examinations, and from revenue audits mentioned previously, is as follows:

	INCREASE	DECREASE
Expenditure Requisitions.....	\$16,839	\$17,705
Claims.....	50,563	3,408
Revenue Audits.....	61,530	636

The examination of the accounts indicated a considerable use of chartered flights as a means of travel. In most cases chartered flights are much more costly than regular air line service or other means of transportation. With the need for all Departments to resist strongly the continuing rise in expenditures and the pressures for even greater outlays, I feel that the use of chartered flights should be kept to a minimum.

THE ONTARIO COMMITTEE ON TAXATION

The report of this committee under the chairmanship of Mr. L. J. Smith, F.C.A., was released on August 30, 1967 and contained numerous proposals concerning tax reform in the Province of Ontario and other matters concerning fiscal and administrative procedures of the Government of the Province.

Comments concerning the Public Accounts have been noted and are being given due consideration.

BALANCE SHEET

The balance sheet of the Province does not include as an asset the value of Crown timber, mineral wealth and surface value of Crown lands, water power, fish, game and fur.

The balance sheet does not incorporate the accounts of a number of Boards and Commissions and other Crown Instrumentalities created by legislation. These bodies are mostly on a self-supporting basis.

The following is a condensed balance sheet of the Province of Ontario as at March 31, 1967.

**PROVINCE OF ONTARIO
CONDENSED BALANCE SHEET
AS AT MARCH 31, 1967**

ASSETS

Cash on Hand and in Banks.....	\$ 192,275,684
Temporary Investments.....	70,105,000
Loans and Advances.....	1,347,018,815
Government of Canada:	
Debt Account and Common School Fund.....	4,300,955
Highways, Buildings, etc.....	3,336,181,747
Liquor Control Board of Ontario—Investment.....	25,032,542
Other Loans and Advances.....	260,465
Discount and Exchange on Debentures (less amount amortized).....	14,930,128
Accounts Receivable (less Reserve).....	89,500,544
Accrued Interest and Discount—Provincial Crown Corporations.....	2,825,878
Accrued Interest on Advances secured by bonds.....	3,946,534
Interest Receivable (less Reserve).....	197,000
Equipment, Stores and Materials (less Reserve).....	13,720,183
	<u>\$5,100,295,475</u>

LIABILITIES

Funded Debt (less sinking fund—\$147,280,963).....	\$2,475,712,140
Unfunded Debt.....	494,184,335
Accounts Payable.....	3,887,742
Accrued Interest—Provincial Crown Corporations.....	738,462
Accrued Interest on Funded Debt.....	37,217,212
	<u>\$3,011,739,891</u>
Reserves.....	10,044,405
Surplus.....	2,078,511,179
	<u>\$5,100,295,475</u>
Contingent Liabilities:	
Bonds, etc., Guaranteed by the Province.....	\$1,927,363,943

I report hereunder on certain of the assets and liabilities as shown on the balance sheet of the Province as at March 31, 1967, which appear in the Public Accounts for 1966-67 on pages 6-7.

ASSETS

CASH ON HAND AND IN BANKS—\$192,275,684

Cash in Chartered Banks.....	\$189,657,045
Province of Ontario Savings Office.....	2,618,639
	<u>\$192,275,684</u>

The balances in chartered banks were confirmed by reconciliation with confirmation letters received direct from the depositaries. It was necessary to take into account a balance sheet adjustment to segregate sinking fund moneys on deposit with the Treasurer of Ontario from other Provincial moneys on deposit as at March 31, 1967.

Cash on hand in the various branches of the Province of Ontario Savings Office was certified by the respective branch managers and the cash on deposit in chartered banks was confirmed by direct correspondence with the banks concerned. The branches of the Savings Office were examined by Head Office inspectors during the year.

TEMPORARY INVESTMENTS—\$70,105,000

	Par Value	
Government of Canada:		
Direct and Guaranteed Securities.....	\$40,325,000	
Treasury Bills.....	12,525,000	
Provinces of Canada:		
Direct and Guaranteed Securities.....	19,067,500	
Treasury Bills.....	250,000	
	<hr/>	
	\$72,167,500	
Additional Cash Security.....	30,000	
	<hr/>	
	\$72,197,500	
	<hr/>	
Subject to repurchase agreements at.....		\$70,105,000
		<hr/>

Temporary investments were made to realize the best return on funds temporarily surplus to current requirements, as authorized under section 20 of The Financial Administration Act. The above securities, held by the Province in connection with uncompleted purchase and resale contracts with investment dealers, were verified by actual count in the Securities Branch of the Treasury Department as at March 31, 1967.

LOANS AND ADVANCES—\$1,347,018,815

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—SECURED BY BONDS—\$417,795,000

Under the provisions of The Power Commission Act, debentures of the Province of Ontario were issued during the years 1951 to 1966 in the amount of \$425,000,000 and the proceeds were advanced to The Hydro-Electric Power Commission of Ontario. Repayments to March 31, 1966 amounted to \$40,534,000 leaving a balance outstanding of \$384,466,000. During the year under review a further issue of \$35,000,000 of debentures was made and the Commission repaid \$1,671,000 on account of redemptions prior to maturity, leaving a balance of \$417,795,000 outstanding as at March 31, 1967.

As security for the advances, the Province holds bonds of the Commission for the same principal amount and the same interest rate and terms as the related Province of Ontario debentures. Bonds of the Commission in the amount of \$417,795,000 were verified by actual count in the Securities Branch of the Treasury Department as at March 31, 1967.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—UNSECURED—\$12,527,413

General.....	\$5,485,358
Nuclear Powered Generating Station.....	7,042,055
	<u>\$12,527,413</u>

During the period from 1909 to 1934 funds borrowed by the Commission under authority of The Power Commission Act were in some cases obtained as a part of the proceeds of certain Provincial debenture issues. As the Provincial issues mature, the Commission repays the amount previously advanced and also pays its share of the interest and service charges of the Provincial issues concerned. A principal repayment of \$1,729,504 was received during the year leaving a balance of \$5,485,358 outstanding as at March 31, 1967. Future annual repayments will liquidate this balance by 1972.

Order in Council 3769/66 approved an agreement whereby capital costs of a nuclear powered generating station were to be shared by The Hydro-Electric Power Commission of Ontario 40%, Atomic Energy of Canada Limited 33% and the Province of Ontario 27%. The Province's share of these capital costs to March 31, 1967 was:

1965-66.....	\$1,799,786
1966-67.....	5,242,269
	<u>\$7,042,055</u>

The agreement provides that, commencing at the "in-service" date of the nuclear powered generating station, the Commission is required to compute each month an amount of "payback" and to allocate this "payback" to the three contributors in direct proportion to their share of the capital costs. Consequently, the Province's contributions are shown as unsecured advances.

PROVINCIAL CROWN CORPORATIONS—INVESTMENTS—\$600,737,523

HOUSING CORPORATION LIMITED—INVESTMENTS—\$666,140

The assets of the Corporation making up the above investments are mortgage loans principal outstanding \$579,015, cash in bank and in transit \$86,375 and mortgage interest receivable \$750. The remaining asset, funds on deposit with Treasurer of Ontario \$150,000, has been eliminated by contra in the balance sheet of the Province.

Since inception, the administrative expenses of the Corporation have been paid by the Province and the Corporation has applied its revenue to the payment of bank interest and bank collection charges on mortgage repayments. For the year ended March 31, 1967 the excess of revenue over expenditure was \$19,781 as compared with \$14,415 for the previous year.

The balance sheet of Housing Corporation Limited is shown separately in the Public Accounts for 1966-67 on page 79.

ONTARIO DEVELOPMENT CORPORATION—INVESTMENTS—\$7,280,049

The Ontario Development Corporation was established under The Ontario Development Corporation Act, 1966. The objects of the Corporation are to encourage and assist in the development and diversification of industry in Ontario.

The assets of the Corporation, excluding accrued interest of \$1,475 which is shown in the Income section of the balance sheet, make up the above investments. The main assets are a short term investment of \$6,500,000 and loans receivable of \$438,270.

The Corporation was financed by the issue of share capital. All 7,000 shares, each with a par value of \$1,000, were purchased at par by the Treasurer of Ontario.

The operating expenses of the Corporation, excluding interest on advances from the Treasurer of Ontario, have been paid out of the moneys appropriated by the Legislature for the purposes of the Ontario Development Agency in accordance with section 18 of The Ontario Development Corporation Act, 1966. Operations for the year resulted in an excess of income over expense of \$281,525. This amount was transferred to Surplus and, after appropriating \$280,000 to a Reserve for Losses, a balance of \$1,525 remained in Surplus at March 31, 1967.

The balance sheet of the Corporation is shown separately in the Public Accounts for 1966-67 on page 80.

ONTARIO HOUSING CORPORATION—INVESTMENTS—\$96,792,150

The Corporation was established in 1964 to assume the responsibility of the Province relative to existing and future agreements under The Housing Development Act. All assets acquired under this Act were vested in the Corporation together with all rights of the Province under existing agreements.

The Corporation assumed responsibility for the management, operation and administration of such housing projects as are constructed in the Metropolitan Toronto area jointly by the Government of Canada and the Ontario Housing Corporation.

The Corporation also was charged with acquiring and administering certain dwelling units adjacent to the widened portions of Highway 401 and for this purpose was provided with interest-free funds by the Treasurer of Ontario. A number of the properties so acquired have been sold and the Corporation has taken back mortgages in some instances. These mortgages, having a balance owing of \$951,198 as at December 31, 1966, were not confirmed with the mortgagors. A net recoverable loss of \$10,685 on properties sold to December 31, 1966 has been shown as a deferred asset on the balance sheet of the Corporation. In subsequent years this amount will be adjusted by the sale of remaining properties and will be reduced by interest earned on mortgages.

Under all areas of responsibility the Corporation had acquired assets totalling \$93,360,744 as at December 31, 1966. To incorporate the assets of the Corporation in the balance sheet of the Province, \$5,000,000 was added to the above amount to record further capital advances by the Treasurer of Ontario between January 1, 1967 and March 31, 1967 and \$1,568,594 was deducted to record the clearing of liabilities to the Treasurer of Ontario in the same period, leaving investments of \$96,792,150 as at March 31, 1967.

The assets of the Corporation have increased a net amount of \$50,496,664 during the year. The main items contributing to the increase were the investment in Provincial Ontario Housing projects of \$48,676,224 and the investment in Federal-Provincial projects of \$1,350,306.

The operations of the Corporation resulted in an excess of expenditure over revenue of \$1,387,029 for the year ended December 31, 1966. Funds to cover this operating deficit were provided by the Province.

The balance sheet of the Corporation is shown separately in the Public Accounts for 1966-67 on pages 82-83.

ONTARIO STUDENT HOUSING CORPORATION—

INVESTMENTS—\$350,000

This Corporation was established in 1966 under The Housing Development Act for the purpose of developing housing projects for students and their families.

The only asset of the Corporation at December 31, 1966 as shown by its balance sheet, was an amount due from the Ontario Housing Corporation of \$2,469. This amount was eliminated by contra in the balance sheet of the Province. The investments of \$350,000 mentioned above record the capital advances made by the Treasurer of Ontario from January 1, 1967 to March 31, 1967.

The balance sheet of the Corporation is shown separately in the Public Accounts for 1966-67 on page 85.

THE ONTARIO EDUCATION CAPITAL AID CORPORATION—

INVESTMENTS—\$165,469,503

The Ontario Education Capital Aid Corporation was established under The Ontario Education Capital Aid Corporation Act, 1966. The object of the Corporation is to purchase from municipalities debentures issued by them for school board undertakings.

The main asset of the Corporation making up the above investments is $5\frac{1}{2}\%$ debentures of Ontario Municipalities at cost and par value of \$165,006,000. These debentures were verified by actual count on March 31, 1967 and are held for safekeeping by the Securities Branch of the Treasury Department. Accrued interest on debentures has been offset by accrued interest of \$1,699,745 on advances from the Treasurer of Ontario.

To finance the purchase of the municipal debentures, the Treasurer of Ontario, under authority of The Ontario Education Capital Aid Corporation Act, 1966, made advances to the Corporation. During the year, advances totalling \$166,185,000 were made and repayments of \$715,497 were received, leaving a balance of \$165,469,503 outstanding at March 31, 1967. These advances bear interest equal to the net interest received by the Corporation.

Revenue of the Corporation has been applied to the payment of interest on advances.

The balance sheet of the Corporation is shown separately in the Public Accounts for 1966-67 on page 87.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT

LOAN CORPORATION—INVESTMENTS—\$57,942,359

The Ontario Junior Farmer Establishment Loan Corporation was incorporated in 1952 for the purpose of making loans to assist young qualified farmers in the establishment, development and operation of their farms.

The Province has paid costs of administration and the Corporation has applied its revenue to the payment of interest on borrowed funds and amortization of discount on debentures. The interest charged on mortgage loans has not been sufficient to meet the cost of borrowed money and, therefore, the Corporation has operated at a deficit each year since 1958. The excess of expenditure over revenue for the current year was \$428,679, an increase of \$101,712 over that of the previous year. The amount of the deficit at March 31, 1967, after allowing for an amount of \$189,944 provided by the Department of Agriculture and Food re excess of expenditure over revenue for the year ended March 31, 1965, was \$755,647.

During the year under review, 927 new loans were made and 357 loans were retired, leaving 4,459 loans outstanding at March 31, 1967. No confirmation of mortgage loans principal was obtained from the debtors concerned.

The assets of the Corporation have increased by \$16,731,564 during the year. The main item contributing to this increase was the increase in mortgage loans principal of \$16,354,631. These assets, excluding accrued interest and discount of \$1,754,275 which is shown under the Income section of the balance sheet, constitute the above investments.

The balance sheet of the Corporation is shown separately in the Public Accounts for 1966-67 on page 88.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

INVESTMENTS—\$45,011,509

The Ontario Municipal Improvement Corporation was incorporated in 1950 for the purpose of purchasing debentures of Ontario municipalities and school boards issued for certain municipal works and school board undertakings.

The Corporation held, at March 31, 1967, debentures having a par value of \$43,405,047 and bearing interest at various rates from $3\frac{3}{4}\%$ to 7%. The debentures were verified by actual count on March 31, 1967 and are held for safekeeping by the Securities Branch of the Treasury Department.

The assets of the Corporation, excluding accrued interest and discount of \$1,070,128 which is shown under the Income section of the balance sheet, make up the investments referred to on the previous page.

Administrative expenses have been paid by the Province and the revenue of the Corporation has been applied to the payment of interest on borrowed funds. The excess of revenue over expenditure of \$745,424 for the year under review was transferred to a General Reserve Account, bringing the balance in that account to \$6,450,815 at March 31, 1967.

The balance sheet of the Corporation is shown separately in the Public Accounts for 1966-67 on page 90.

THE ONTARIO UNIVERSITIES CAPITAL AID CORPORATION—

INVESTMENTS—\$225,418,641

The Ontario Universities Capital Aid Corporation was established in 1964 with the object of purchasing from universities in Ontario bonds or debentures issued by them for capital construction projects that have been approved by the Minister of University Affairs.

The assets of the Corporation at March 31, 1967 amounted to \$225,418,641, consisting of $5\frac{1}{2}\%$ debentures of Ontario universities purchased at par value.

The Treasurer of Ontario, to finance the purchase of the debentures, made advances to the Corporation. These advances bear interest at $5\frac{1}{2}\%$ and are repayable to the Province in the same amounts as the yearly instalments become due on the debentures purchased by the Corporation. During the year under review \$93,105,000 was advanced to the Corporation and \$1,896,133 was repaid to the Province, leaving advances of \$225,418,641 outstanding at March 31, 1967.

Revenue of the Corporation has been applied to the payment of interest on advances.

The balance sheet of the Corporation is shown separately in the Public Accounts for 1966-67 on page 92.

THE SHERIDAN PARK CORPORATION—INVESTMENTS—\$1,807,172

The Sheridan Park Corporation was established in 1964 with the object of acquiring and developing land in an area in the Township of Toronto, County of Peel, for the purpose of research and ancillary services and generally for establishing a centralized research complex.

The above investments of \$1,807,172 represent the assets of the Corporation at March 31, 1967. The main asset is land shown at a cost value of \$1,676,597.

Funds for the Corporation were provided by advances from the Treasurer of Ontario. During the year additional advances were made, leaving a balance of \$2,145,000 outstanding at March 31, 1967. These advances bear interest at 6% per annum.

The operations of the Corporation for the year under review resulted in a loss of \$280,622, bringing the accumulated deficit to \$382,035 at March 31, 1967. The loss of \$280,622 is reflected in the balance sheet of the Province by an adjustment through Surplus Account.

The balance sheet of the Corporation is shown separately in the Public Accounts for 1966-67 on page 93.

ONTARIO WATER RESOURCES COMMISSION—ADVANCES—\$104,814,533

This Commission was created in 1956 to assist Ontario municipalities in dealing with their financial and physical problems relating to water resources, sewage and pollution. Projects undertaken must be self-supporting, earning sufficient revenue to cover operating costs, rentals, interest charges, debt retirement over a reasonable time, etc.

This account was increased during the year by a net amount of \$20,692,055, including net interest charges of \$837,955 calculated to December 31, 1966.

ONTARIO NORTHLAND TRANSPORTATION COMMISSION—

ADVANCES—\$34,007,935

This amount relates to advances to the Commission to provide funds for construction and equipment. The balance of \$30,207,935 outstanding at the end of the previous year is non-interest bearing as provided for by Order in Council dated April 22, 1936. The advances of \$3,800,000 made during the current year bear interest at the rate of 6% per annum.

PROVINCIAL STUDENT-AID LOANS—\$4,879,776

This amount represents the balance owing on 8,954 loans at March 31, 1967. During the year repayments of \$1,158,506 were received, including the repayment of 1,435 loans in full. No loans were written off as uncollectable in this period.

MUNICIPALITIES—\$133,318,219

Municipal Debentures—	
Town of Atikokan.....	\$ 31,100
Improvement District of Elliot Lake.....	3,008,600
Improvement District of Manitowadge.....	663,200
Municipality of Metropolitan Toronto.....	58,070,000
City of Windsor.....	737,111
Tile Drainage Debentures.....	9,000,580
The Municipal Works Assistance Act, 1963.....	61,117,228
Town of Kapuskasing.....	690,400
	<u>\$133,318,219</u>

During the year under review there was a net increase of \$25,529,829 in loans to municipalities made up as follows—

	Increase	Decrease
Town of Atikokan.....		\$ 3,500
Improvement District of Elliot Lake (net).....	\$ 128,500	
Improvement District of Manitouwadge.....		64,900
Municipality of Metropolitan Toronto.....		911,000
City of Windsor.....		63,371
Village of West Lorne.....		2,483
Tile Drainage Debentures (net).....	924,407	
The Municipal Works Assistance Act, 1963 (net).....	25,137,776	
Town of Kapuskasing (net).....	384,400	

Under authority of The Municipal Works Assistance Act, 1963, the Province of Ontario entered into an agreement with the Municipal Development and Loan Board, a board established under the Municipal Development and Loan Act (Canada). In accordance with the agreement, the Board makes loans to the Province, secured by Provincial Debentures, to enable the Province to make loans to municipalities for certain municipal projects. The balance of loans outstanding at March 31, 1967 was \$61,117,228 of which \$19,975 was an unsecured balance. This latter amount was recovered subsequent to March 31, 1967.

Tile Drainage debentures are held in safekeeping by the Canadian Imperial Bank of Commerce and were confirmed as at March 31, 1967 by a test examination. The various municipal debentures, held in safekeeping by the Securities Branch of the Treasury Department, were confirmed by actual count as at March 31, 1967.

MISCELLANEOUS—\$38,938,416

The Co-operative Loans Act—Loans.....	\$ 3,485,074
Rehabilitation Services, Old Age Assistance, etc.....	77,456
The Public Hospitals Act, sec. 5a—Loans.....	24,584,920
Sandwich, Windsor and Amherstburg Railway Company—Bonds..	2,650,000
The Sault Ste. Marie Bridge Act, 1960:	
International Bridge Authority of Michigan—Bonds.....	7,615,072
St. Mary's River Bridge Company—Shares.....	1,370
Conservation Authorities—Recoverable Grants.....	524,025
Province of Ontario Savings Office—Accounts Receivable.....	499
	<u>\$38,938,416</u>

Miscellaneous loans increased during the year by a net amount of \$12,931,330. The main item contributing to this increase was advances to the Ontario Hospital Services Commission of \$12,993,000 less repayments of \$734,768. These advances were made under authority of The Public Hospitals Act, sec. 5a, for the purpose of making loans to hospitals. The hospitals are required to repay the loans to the Commission with interest at 3% per annum.

Bonds of the Sandwich, Windsor and Amherstburg Railway Company, the International Bridge Authority of Michigan and shares of the St. Mary's River Bridge Company are held in safekeeping in the Securities Branch of the Treasury Department. These securities were confirmed by actual count at March 31, 1967.

GOVERNMENT OF CANADA—\$4,300,955

Debt Account.....	\$2,848,290
Common School Fund.....	1,452,665
	<u>\$4,300,955</u>

These two accounts, detailed in my report for 1963-64, remain unchanged. Interest at 5% per annum has been received from the Government of Canada in 1966-67 in accordance with existing arrangements.

HIGHWAYS, BUILDINGS, etc.—\$3,336,181,747

Highways and Roads—Capital Disbursements.....	\$2,861,005,605	
Less—Capital Disbursements to March 31, 1937, written off.....	228,037,927	\$2,632,967,678
Rural Power Transmission Lines—Bonus 1927-67.....	\$ 117,415,942	
Less—Capital Disbursements to March 31, 1937, written off.....	8,733,243	108,682,699
Land, Buildings, Public Works, etc.....	\$ 581,973,002	
Less—Value of land, buildings and contents turned over to The Board of Governors of Ryerson Polytechnical Institute, author- ity The Ryerson Polytechnical Institute Amendment Act, 1966.....	7,099,607	574,873,395
The Niagara Parks Commission—Equity (October 31, 1966).....		9,455,794
The St. Lawrence Parks Commission—Equity (March 31, 1967).....		10,202,181
		<u>\$3,336,181,747</u>

During the year under review the net capital disbursements on Highways and Roads was \$265,921,506 as shown below:

Capital Disbursements on:		
Highways.....	\$ 265,398,181	
Logging and access roads.....	801,725	
Mining roads.....	331,766	
		\$266,531,672
Less—Capital Receipts applied to:		
Highways.....	\$ 286,113	
Logging and access roads.....	324,053	
		610,166
		<u>\$265,921,506</u>

Highways and roads built prior to March 31, 1937 have been replaced or reconstructed to such an extent that the original cost of construction is now considered to have little value and has been written off. During the year \$8,261,009 was written off to Surplus Account, representing the capital disbursements on highways for the fiscal year ended March 31, 1937.

A bonus of \$430,389 for Rural Primary and Secondary Lines, under authority of The Rural Hydro-Electric Distribution Act, was paid during the year. The lines built prior to March 31, 1937 have been substantially rebuilt or replaced and therefore bonuses paid to that date have been written off to Surplus Account. During the year under review, the bonus for the year ended March 31, 1937 in the amount of \$1,000,000 was written off to Surplus Account.

There was a net increase in the investment in Land, Buildings, Public Works, etc. during the year of \$58,759,089. This net increase is made up of:

Net additions—Land and Buildings.....	\$ 45,530,055
General Works and Improvements.....	15,297,796
Provincial Parks.....	5,030,845
	<u>\$ 65,858,696</u>
Deduct—Land, Buildings and Contents turned over to The Board of Governors of Ryerson Polytechnical Institute.....	7,099,607
	<u><u>\$ 58,759,089</u></u>

No depreciation has been accrued on Land, Buildings, Public Works, etc.

The balance sheet of The Niagara Parks Commission showed an equity account of \$9,455,794 as at October 31, 1966. This amount has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

The balance sheet of The St. Lawrence Parks Commission showed assets of \$10,202,181 as at March 31, 1967. This includes an amount of \$377,513 provided by the Province through Ordinary Account during the year under review. This latter amount has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

LIQUOR CONTROL BOARD OF ONTARIO—

INVESTMENT—\$25,032,542

This asset represents the Surplus of the Board as at March 31, 1967 retained to finance its operations. Details of this investment are shown on page 64 of the Public Accounts for 1966-67. This asset has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

OTHER LOANS AND ADVANCES—\$260,465

Home Bank (in liquidation).....	\$213,000
Settlers' Loans.....	47,465
	<u>\$260,465</u>

These accounts have been segregated because they are in arrears or in default. The only change during the year under review was the repayment of \$1,321 on Settlers' Loans.

DISCOUNT AND EXCHANGE ON DEBENTURES

(less amount amortized)—\$14,930,128

Items of this nature are amortized over the term of the related issues. During the year under review amortization amounted to \$1,885,022 as shown in the Statement of Amortization and Discount and Exchange on Debentures on page 65 of the Public Accounts for 1966-67.

ACCOUNTS RECEIVABLE (less Reserve)—\$89,500,544

The details of accounts receivable were submitted by Departmental Accountants. This amount is the net total of accounts receivable of all Departments of the Province after the deduction of reserves for doubtful accounts. The reserves provided are considered adequate.

This asset has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

ACCRUED INTEREST AND DISCOUNT—

PROVINCIAL CROWN CORPORATIONS—\$2,825,878

Items of accrued interest and discount of Provincial Crown Corporations, formerly included as part of the totals of Investments of Provincial Crown Corporations under Capital Assets, are now shown under Income Assets on the Balance Sheet of the Province. Details of this asset are shown on page 62 of the 1966-67 Public Accounts.

ACCRUED INTEREST ON ADVANCES SECURED BY BONDS—

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—\$3,946,534

This amount represents interest accrued but not due at March 31, 1967 on the advances of \$417,795,000 referred to earlier in this report. This asset has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

INTEREST RECEIVABLE (less Reserve)—THE AGRICULTURAL DEVELOPMENT
FINANCE ACT—\$197,000

During the year under review a payment of \$55,000 was received on interest of \$1,252,000 owing to the Treasurer of Ontario on the former debentures of the Agricultural Development Board. A reserve of \$1,000,000 is provided since the books of the borrower show a deficit. The balance of \$197,000 has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

EQUIPMENT, STORES AND MATERIALS (less Reserve)—\$13,720,183

Inventories of equipment, stores and materials, as compiled by Departmental Accountants, were valued on a basis not exceeding cost. Adequate reserves have been provided to reduce the gross inventory to a conservative valuation. The balance of \$13,720,183 has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

LIABILITIES

FUNDED DEBT—\$2,475,712,140

Stock and Debentures	\$2,622,993,103
Less—Sinking Fund	147,280,963
	<u>\$2,475,712,140</u>

Stock and debentures outstanding at March 31, 1967 were held as follows:

In the hands of the public	\$2,526,089,603
In the Sinking Fund of the Province	96,903,500
	<u>\$2,622,993,103</u>

The following is a summary of stock and debenture transactions resulting in a net increase of \$397,347,101 for the year ended March 31, 1967:

Issues—C.P.P. Series	\$ 332,587,000	72.86	
T.I. Series	40,500,000	8.87	
D. W. Series, for The Hydro-Electric Power Commission of Ontario	35,000,000	7.67	
M.W. Series	28,310,501	6.20	
M.E.R. Series	20,100,000	4.40	
		<u>100.00</u>	\$ 456,497,501
Redemptions—			
Maturities	\$ 57,479,400		
Issues relating to The Hydro-Electric Power Commission of Ontario, redeemed before maturity	1,671,000		
			<u>59,150,400</u>
Net increase in Stock and Debentures			<u>\$ 397,347,101</u>

Details of Stock and Debentures outstanding at March 31, 1967 are shown on pages 69-74 of the Public Accounts for 1966-67.

The Sinking Fund at March 31, 1967 consisted of:

Investments, at par value	\$143,636,500
Uninvested funds on deposit with the Treasurer of Ontario	3,644,463
	<u>\$147,280,963</u>

Securities held for the Fund were verified by actual count in the Securities Branch of the Treasury Department as at March 31, 1967. Uninvested funds were verified from the records of the Treasury Department as at March 31, 1967.

The following is a summary of Sinking Fund transactions for the year under review:

Balance in Fund March 31, 1966.....	\$140,280,963
Provision from Ordinary Account, 1966-67.....	42,000,000
	<hr/>
Charged to Fund for maturities, 1966-67.....	\$182,280,963
	35,000,000
	<hr/>
Balance in Fund March 31, 1967.....	<u>\$147,280,963</u>

UNFUNDED DEBT—\$494,184,335

DEMAND DEPOSITS WITH PROVINCE OF ONTARIO

SAVINGS OFFICE—\$81,283,693

This amount is made up of current deposits of \$81,183,381 and unclaimed balances of \$100,312. The accounts are carried by 21 branches of the Savings Office in the Province.

The Agricultural Development Finance Act empowered the Treasurer of Ontario to borrow money by means of deposits and to open offices throughout the Province for this purpose. Moneys borrowed by way of these deposits may be used for the general purposes of the Province.

The liability of the Savings Office to depositors is similar to the liability of a chartered bank in regard to savings deposits.

BANK LOAN—DEMAND—\$5,000,000

The proceeds of this loan were used to retire debentures of the Province in the amount of \$5,000,000 which matured May 1, 1966. This loan, payable in United States funds, bears interest at the rate of $6\frac{1}{4}\%$ per annum.

SPECIAL FUNDS—\$310,312,472

PUBLIC SERVICE SUPERANNUATION FUND—\$252,327,196

During the year under review \$44,895,277 was received by the Fund and disbursements amounted to \$17,502,936, leaving a balance of \$252,327,196 on deposit with the Treasurer of Ontario at March 31, 1967.

OTHER—\$57,985,276

A complete listing of Special Funds—Other is shown on page 77 of the Public Accounts for 1966-67.

PROVINCIAL CROWN CORPORATIONS—LIABILITIES—\$94,888,519

HOUSING CORPORATION LIMITED—LIABILITIES—\$4,625

The liabilities consist of mortgage instalments paid in advance of \$4,449 and accrued bank charges of \$176.

ONTARIO DEVELOPMENT CORPORATION—LIABILITIES—Nil

This Corporation had no liabilities as at March 31, 1967. Funds for the financing of the Corporation were provided by an investment of \$7,000,000 by the Treasurer of Ontario in the Capital Stock of the Corporation. This amount has been eliminated by contra in the balance sheet of the Province.

ONTARIO HOUSING CORPORATION—LIABILITIES—\$54,436,178

The main liabilities of the Corporation as at December 31, 1966 making up the above amount were:

Mortgage Loans—Central Mortgage and Housing Corporation.....	\$46,158,904
Accounts payable, accrued liabilities, etc.....	5,569,458
Hold-backs on construction contracts.....	2,294,918

In addition, the Corporation was liable to the Treasurer of Ontario at December 31, 1966 for advances made for:

Federal-Provincial projects.....	\$20,175,244
Provincial Ontario Housing projects.....	15,650,000
Acquisition of properties adjacent to Highway 401.....	1,350,000
	<u>\$37,175,244</u>

These advances have been eliminated by contra in the balance sheet of the Province.

ONTARIO STUDENT HOUSING CORPORATION— LIABILITIES—\$2,469

This amount is the accounts payable, accrued charges, etc., owing by the Corporation as at December 31, 1966.

THE ONTARIO EDUCATION CAPITAL AID CORPORATION— LIABILITIES—Nil

The liabilities of the Corporation consist of net advances from the Treasurer of Ontario during the year of \$165,469,503, and accrued interest thereon of \$1,699,745. These amounts have been eliminated by contra in the balance sheet of the Province.

THE JUNIOR FARMER ESTABLISHMENT LOAN CORPORATION—

LIABILITIES—\$13,406,139

The main liabilities of the Corporation are 4½% debentures for \$11,000,000 maturing October 1, 1976, and a bank overdraft of \$2,324,558, both guaranteed by the Province. Accrued interest on debentures of \$246,140 is shown under the Income section of the balance sheet of the Province.

In addition, the corporation is indebted to the Treasurer of Ontario for an advance of \$46,800,000, an increase of \$16,210,431 during the year. This advance, bearing interest at 6% per annum, has been eliminated by contra in the balance sheet of the Province.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

LIABILITIES—\$27,000,000

The liabilities consist of debentures issued by the Corporation in the amount of \$27,000,000 maturing over a period from 1967 to 1980, and accrued interest thereon of \$492,322. This latter amount is shown under the Income section of the balance sheet of the Province. The debentures are guaranteed by the Province of Ontario.

The Corporation also has an advance from the Treasurer of Ontario of \$12,138,500, a decrease of \$5,899,000 from that of the previous year. This advance, bearing interest at the rate of $6\frac{1}{4}\%$, has been eliminated by contra in the balance sheet of the Province.

THE ONTARIO UNIVERSITIES CAPITAL AID CORPORATION—

LIABILITIES—Nil

The only liability of the Corporation is advances from the Treasurer of Ontario in the amount of \$225,418,641, an increase of \$91,208,867 over the balance at March 31, 1966. These advances have been eliminated by contra in the balance sheet of the Province.

THE SHERIDAN PARK CORPORATION—LIABILITIES—\$39,108

The liabilities of the Corporation making up the above amount consist of accrued liabilities \$35,679 and holdbacks on service contracts \$3,429.

In addition, the Corporation is liable to the Treasurer of Ontario for advances of \$2,145,000 and accrued interest thereon of \$5,099. The former item has been eliminated by contra in the balance sheet of the Province and the latter has been eliminated by an adjustment through Surplus Account.

MISCELLANEOUS—\$2,699,651

This amount is the balance outstanding at March 31, 1967 on the following mortgages—

880 Bay Street— $5\frac{1}{2}\%$ —maturing 1975.....	\$ 778,560
135 St. Clair Ave. West—7%—maturing 1989.....	1,921,091
	<u>\$2,699,651</u>

These mortgages were assumed by the Province at the time of acquisition of the above-mentioned properties.

ACCOUNTS PAYABLE—\$3,887,742

Details of accounts payable were submitted by Departmental Accountants. This liability of \$3,887,742 has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

ACCRUED INTEREST—PROVINCIAL CROWN CORPORATIONS—\$738,462

Accrued interest of Provincial Crown Corporations, formerly included as Liabilities of Provincial Crown Corporations under Capital Liabilities, is now shown under Income Liabilities on the balance sheet of the Province. Details of this liability are shown on page 62 of the 1966-67 Public Accounts.

ACCRUED INTEREST ON FUNDED DEBT—\$37,217,212

This liability, representing interest accrued but not due at March 31, 1967 on debentures of the Province outstanding in the hands of the public, has been brought on the balance sheet of the Province by an adjustment through Surplus Account.

RESERVES—\$10,044,405

The main item in this amount is The Ontario Municipal Improvement Corporation General Reserve of \$6,450,815. A detailed list of the Reserves is shown in the Public Accounts for 1966-67 on page 78.

SURPLUS—\$2,078,511,179

The net increase in Surplus Account for the year under review was \$353,726,699. The principal items accounting for this net increase were as follows:

Increase—	
Capital Disbursements financed out of Ordinary Revenue.....	\$ 310,000,000
Provision for Sinking Fund.....	42,000,000
Year-end adjustments—inventories, accounts receivable, accounts payable, etc.....	17,555,059
Decrease—	
Capital Disbursements on Highways and Rural Power Transmission	
Lines Bonus for the year ended March 31, 1937 written off.....	9,261,009
Land, Buildings, etc., turned over to the Board of Governors of Ryerson Polytechnical Institute.....	7,099,007

Details of changes in Surplus Account for the year are shown in the Public Accounts for 1966-67 on pages 8-9.

CONTINGENT LIABILITIES—\$1,927,363,943

Bonds, etc., guaranteed by the Province of Ontario.....	\$1,950,693,943
Less—Held in Sinking Fund.....	28,330,000
	<u>\$1,927,363,943</u>

The contingent liabilities increased during the year by a net amount of \$175,181,589. This is due mainly to a net increase of \$153,130,300 in issues of The Hydro-Electric Power Commission of Ontario and a net increase of \$19,054,251 in guarantees re various farmers in connection with losses due to adverse weather, etc. Details of contingent liabilities are shown in the Public Accounts for 1966-67 on pages 95-97.

CHARTS AND STATEMENTS

Charts showing the trend in Gross and Net Debt and in Net Ordinary Revenue and Expenditure for the ten years ended March 31, 1967 are appended to this report on pages 40-41. Charts showing the trend in certain major items of Net Ordinary Revenue and Expenditure appear on pages 42-49 of this report. A chart showing comparisons between Estimated and Actual Net Ordinary Voted Expenditure for the ten years ended March 31, 1967 and a chart showing comparisons between Estimated and Actual Net Capital Voted Expenditure for the ten years ended March 31, 1967 are appended on pages 50-51.

The following statements for the fiscal year April 1, 1966 to March 31, 1967 will be found on pages 52-56.

Source and Application of Funds

Comparative Statement of Interim and Actual Net Ordinary Revenue

Comparative Statement of Interim and Actual Net Ordinary Expenditure

Comparative Summary of Interim and Actual Net Ordinary Revenue and Net Ordinary Expenditure

Comparative Statement of Interim and Actual Net Capital Receipts

Comparative Statement of Interim and Actual Net Capital Disbursements

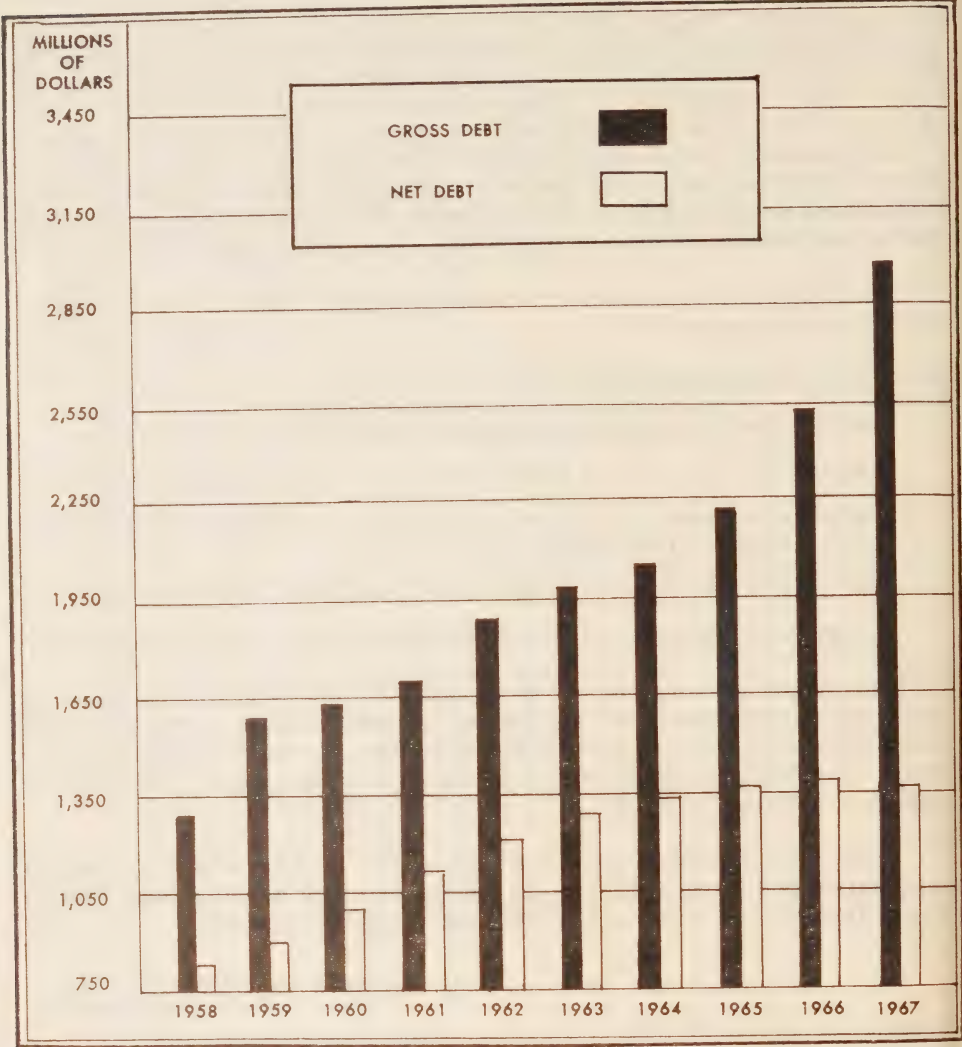
Statements showing details of Treasury Board Orders issued for the authorization of expenditures in excess of appropriations during the fiscal year ended March 31, 1967 and Special Warrants issued during the fiscal year ended March 31, 1967 are submitted in separate sections immediately following the statements referred to above.

I am very pleased to have this opportunity to acknowledge the willing co-operation and effective help of the officials and staff of the various Departments, Boards and Commissions during the conduct of the audit.

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Toronto, November 24, 1967.

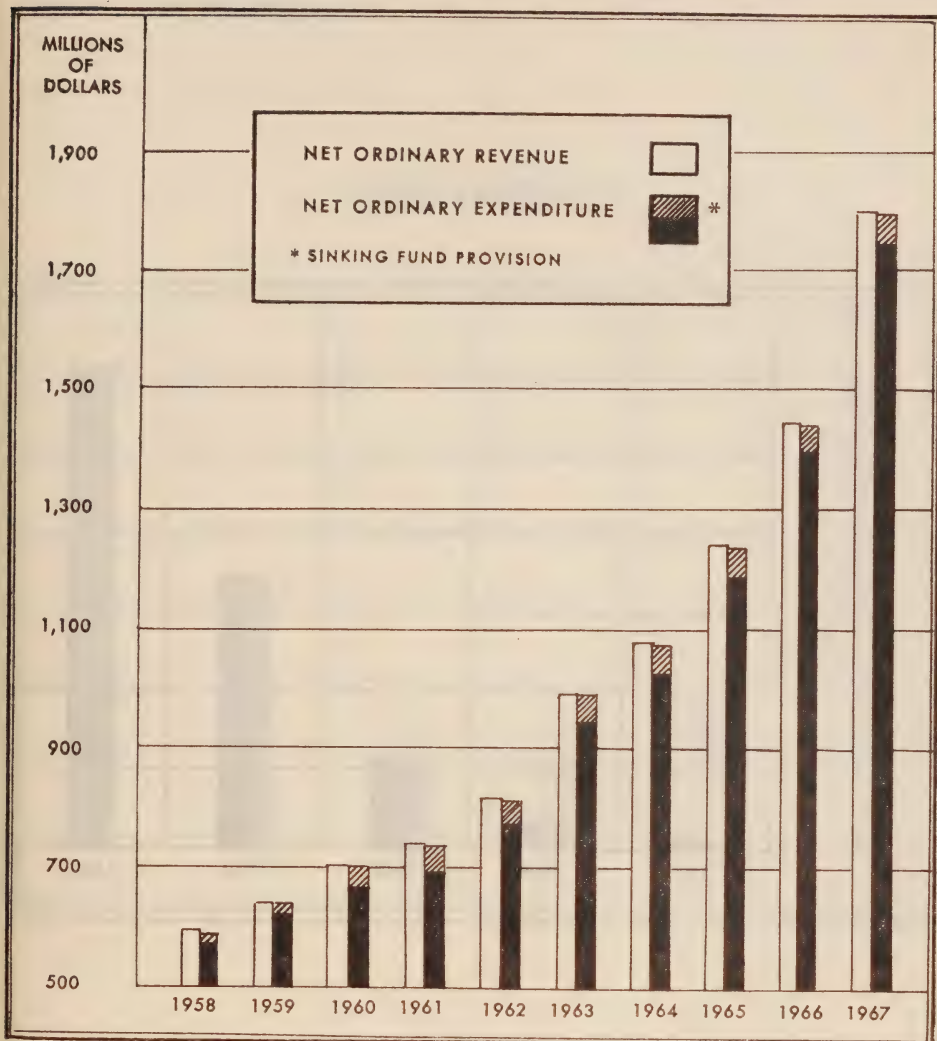
GROSS AND NET DEBT
FOR THE TEN YEARS ENDED MARCH 31, 1967



Gross and Net Debt per Public Accounts

YEAR ENDED MARCH 31	GROSS DEBT	NET DEBT
1958	\$1,285,809,989	\$ 818,606,441
1959	1,579,113,325	900,532,098
1960	1,642,671,624	993,554,760
1961	1,695,504,283	1,092,616,819
1962	1,884,972,861	1,209,063,700
1963	1,979,374,560	1,284,104,122
1964	2,057,963,807	1,344,744,148
1965	2,218,257,501	1,365,328,924
1966	2,508,986,252	1,380,504,672
1967	2,969,896,475	1,360,496,976

**NET ORDINARY REVENUE AND EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1967**

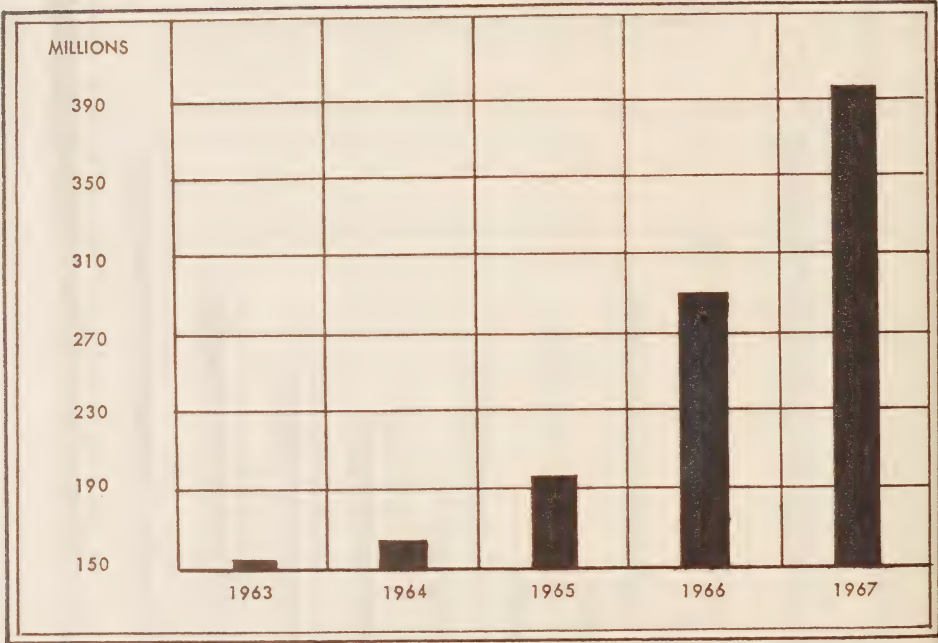


YEAR ENDED MARCH 31	NET ORDINARY REVENUE	NET ORDINARY EXPENDITURE	*SINKING FUND PROVISION
1958	\$ 591,849,092	\$ 590,983,062	\$17,833,000
1959	642,374,233	642,070,163	17,941,000
1960	702,469,593	701,605,902	31,054,000
1961	739,391,410	739,000,383	33,822,000
1962	825,352,009	824,849,622	35,802,000
1963	993,611,901	993,033,254	39,000,000
1964	1,079,135,679	1,078,181,209	41,500,000
1965	1,237,244,493	1,236,803,817	40,000,000
1966	1,442,845,159	1,441,749,412	41,500,000
1967	1,799,467,331	1,799,121,181	42,000,000

*Included in Net Ordinary Expenditure.

MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

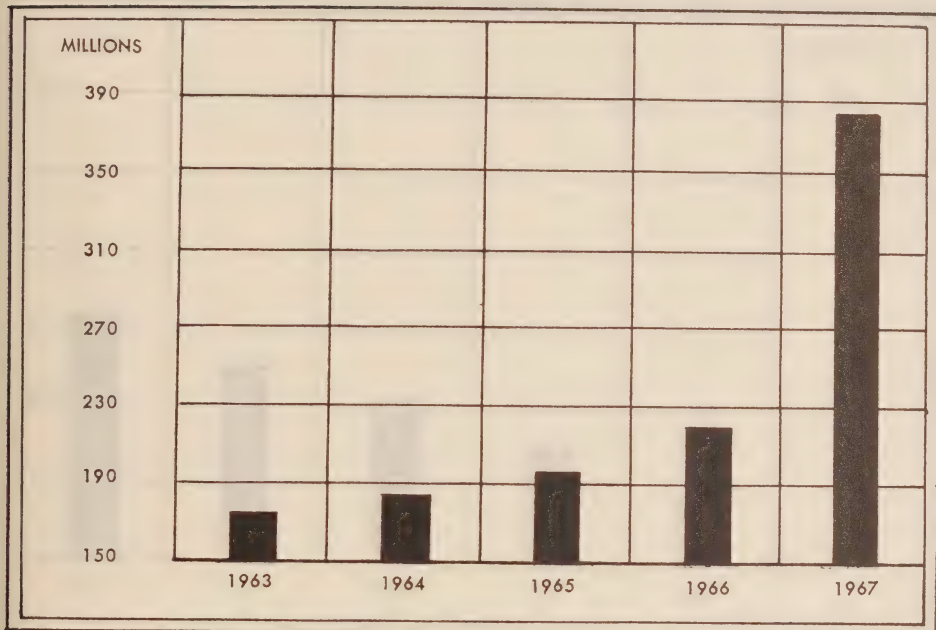
INCOME TAX



YEAR ENDED MARCH 31	AMOUNT
1963	\$ 151,844,240
1964	164,369,708
1965	195,842,112
1966	292,403,842
1967	393,836,627

ORDINARY REVENUE
YEARS ENDED MARCH 31, 1967

RETAIL SALES TAX



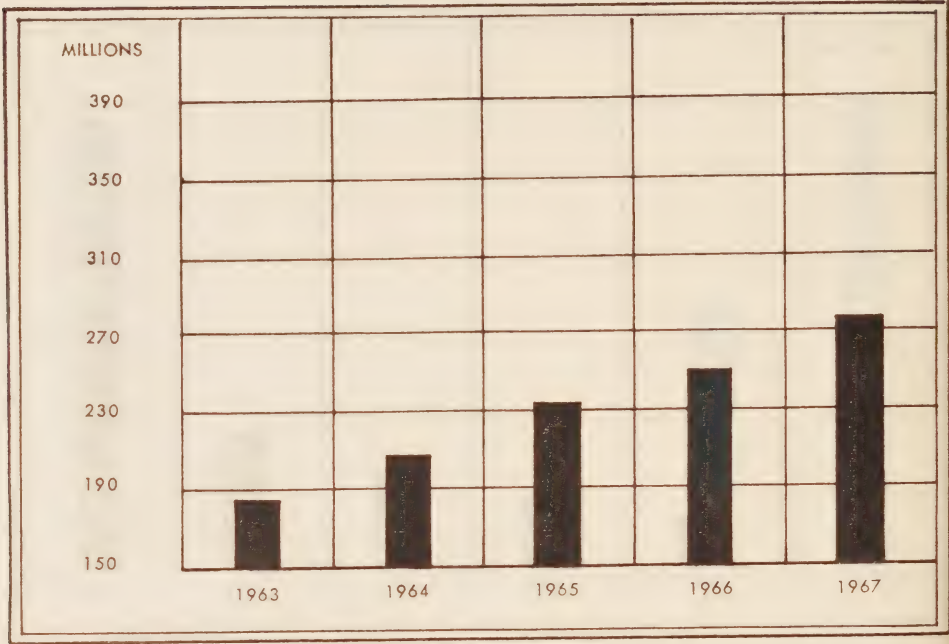
YEAR ENDED
MARCH 31

AMOUNT

1963	.....	\$ 175,714,557
1964	.....	186,534,521
1965	.....	195,298,715
1966	.....	220,998,196
1967	.....	385,574,600

MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

CORPORATIONS TAX



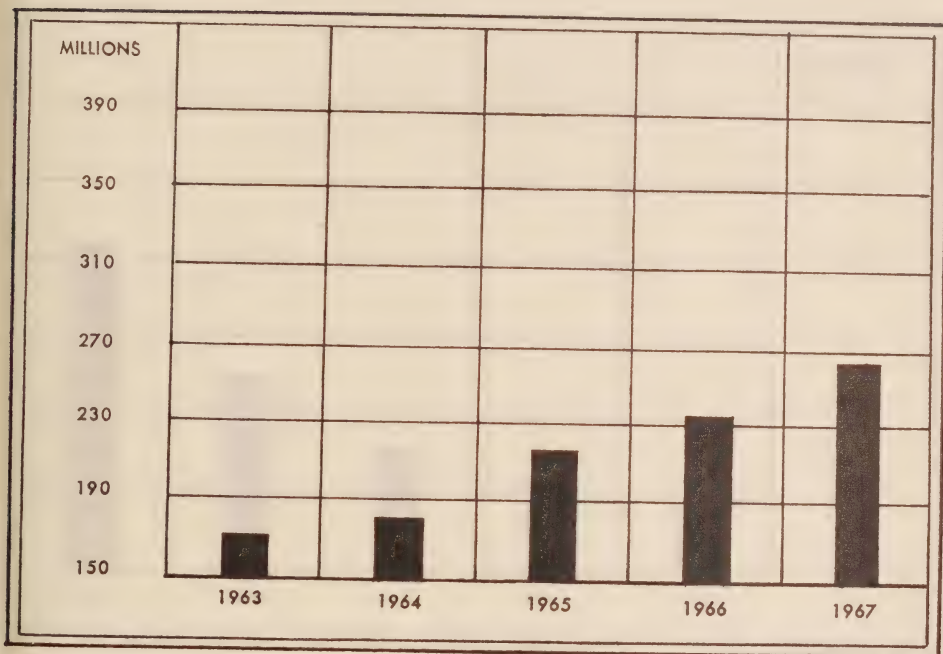
YEAR ENDED
MARCH 31

AMOUNT

1963	.....	\$ 185,717,994
1964	.....	209,672,035
1965	.....	232,543,374
1966	.....	252,375,741
1967	.....	274,499,829

ORDINARY REVENUE
YEARS ENDED MARCH 31, 1967

GASOLINE TAX



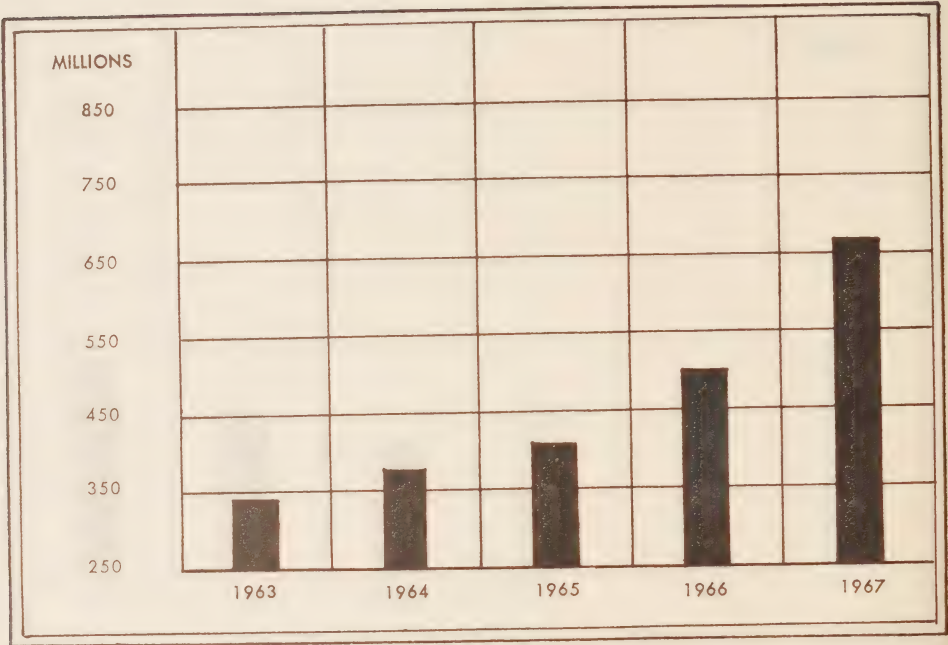
YEAR ENDED
MARCH 31

AMOUNT

1963	.....	\$ 173,135,315
1964	.....	183,649,850
1965	.....	221,188,555
1966	.....	236,829,198
1967	.....	266,391,391

MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

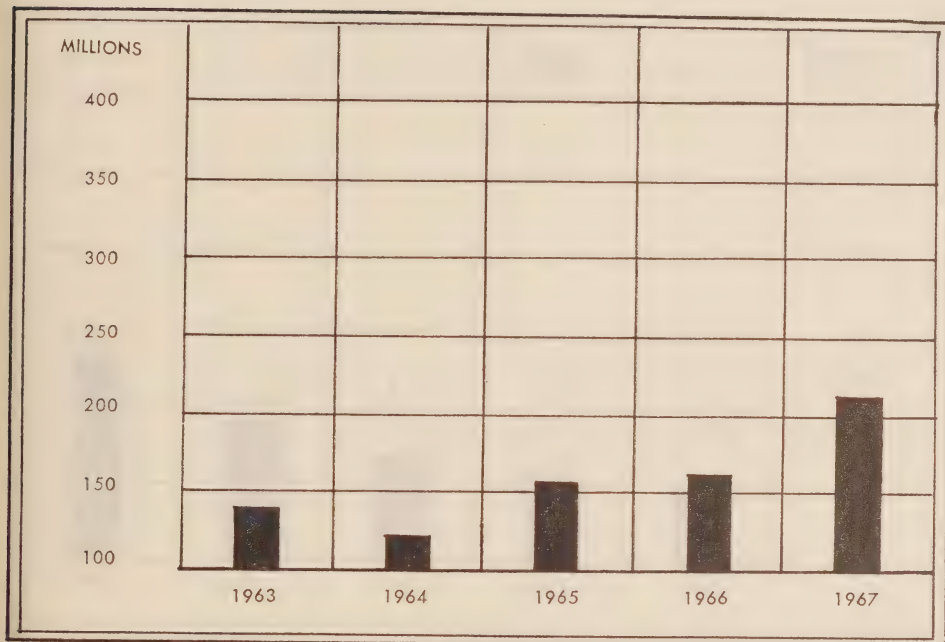
EDUCATION



YEAR ENDED MARCH 31	AMOUNT
1963	\$ 348,367,974
1964	381,041,328
1965	417,086,004
1966	513,104,150
1967	660,114,577

ORDINARY EXPENDITURE
YEARS ENDED MARCH 31, 1967

HEALTH SERVICES



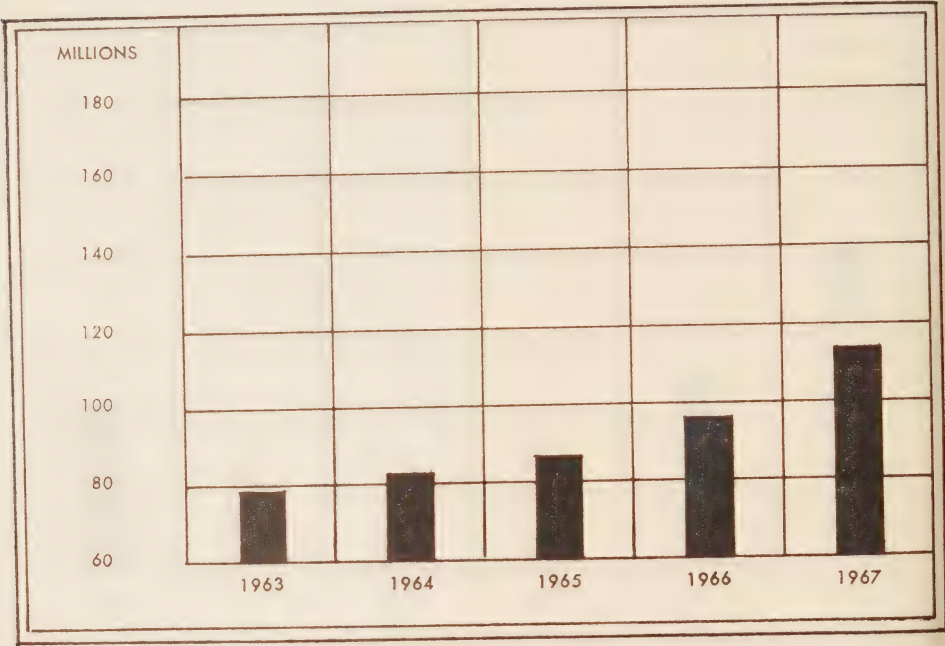
YEAR ENDED
MARCH 31

AMOUNT

1963	.....	\$ 144,302,638
1964	.....	122,025,920
1965	.....	154,601,128
1966	.....	164,044,765
1967	.....	213,241,515

MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

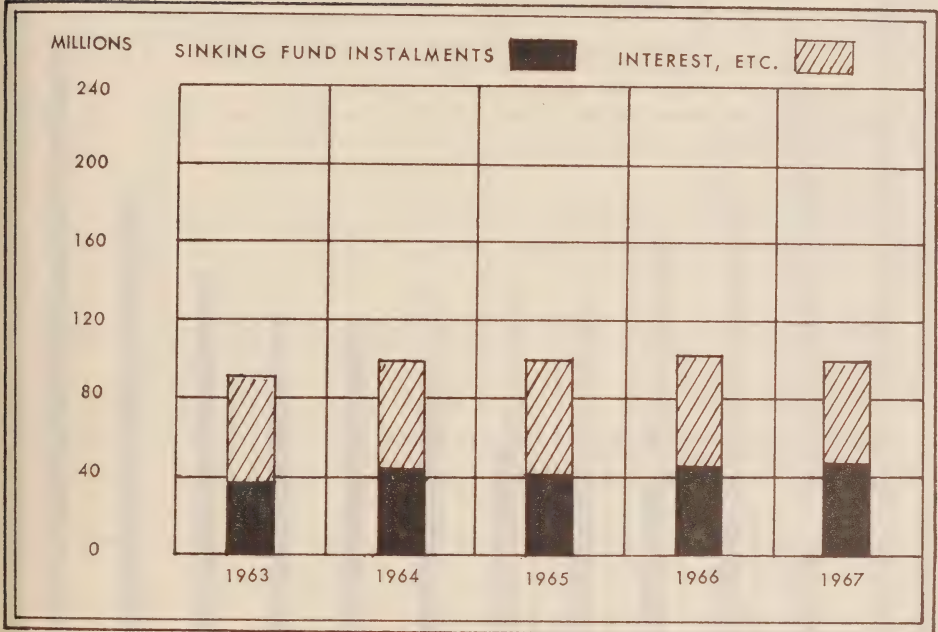
HIGHWAYS AND ROADS, MAINTENANCE, GRANTS, Etc.



YEAR ENDED MARCH 31	AMOUNT
1963	\$ 78,784,248
1964	81,579,733
1965	88,538,129
1966	97,567,588
1967	115,886,991

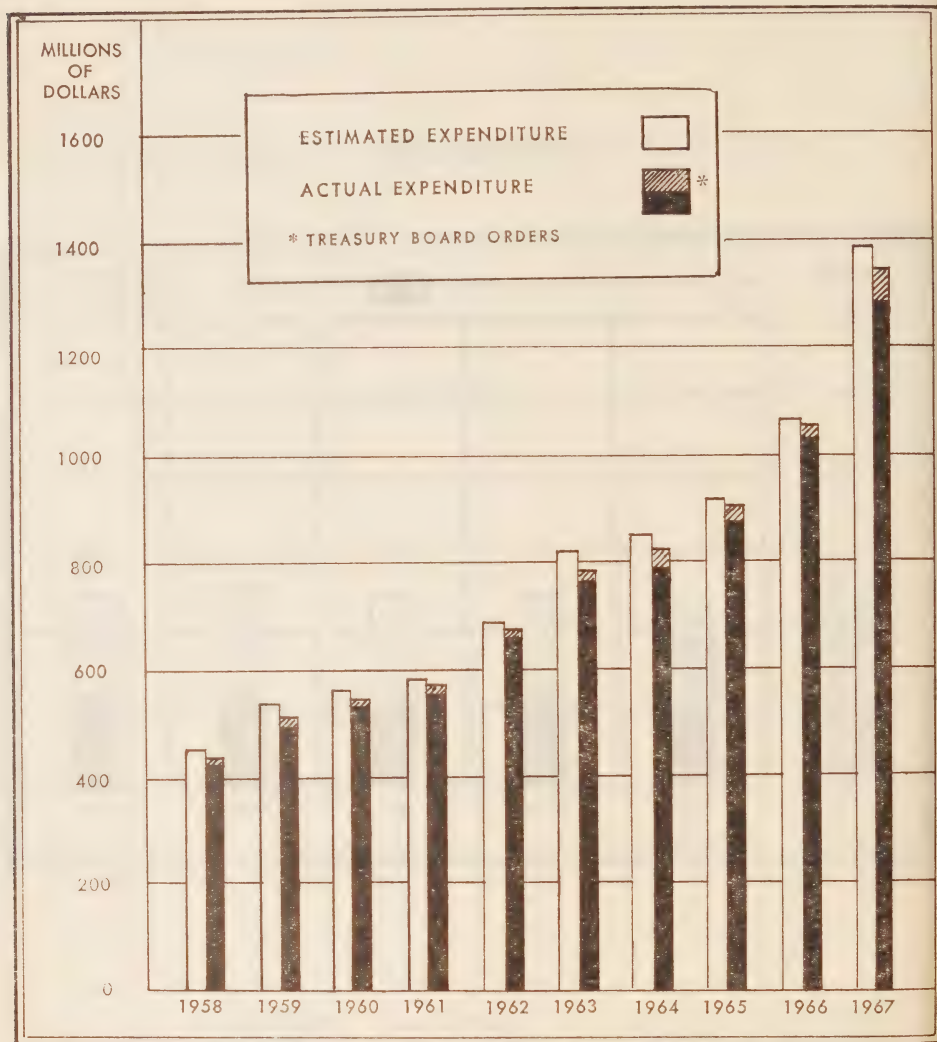
ORDINARY EXPENDITURE
YEARS ENDED MARCH 31, 1967

PUBLIC DEBT



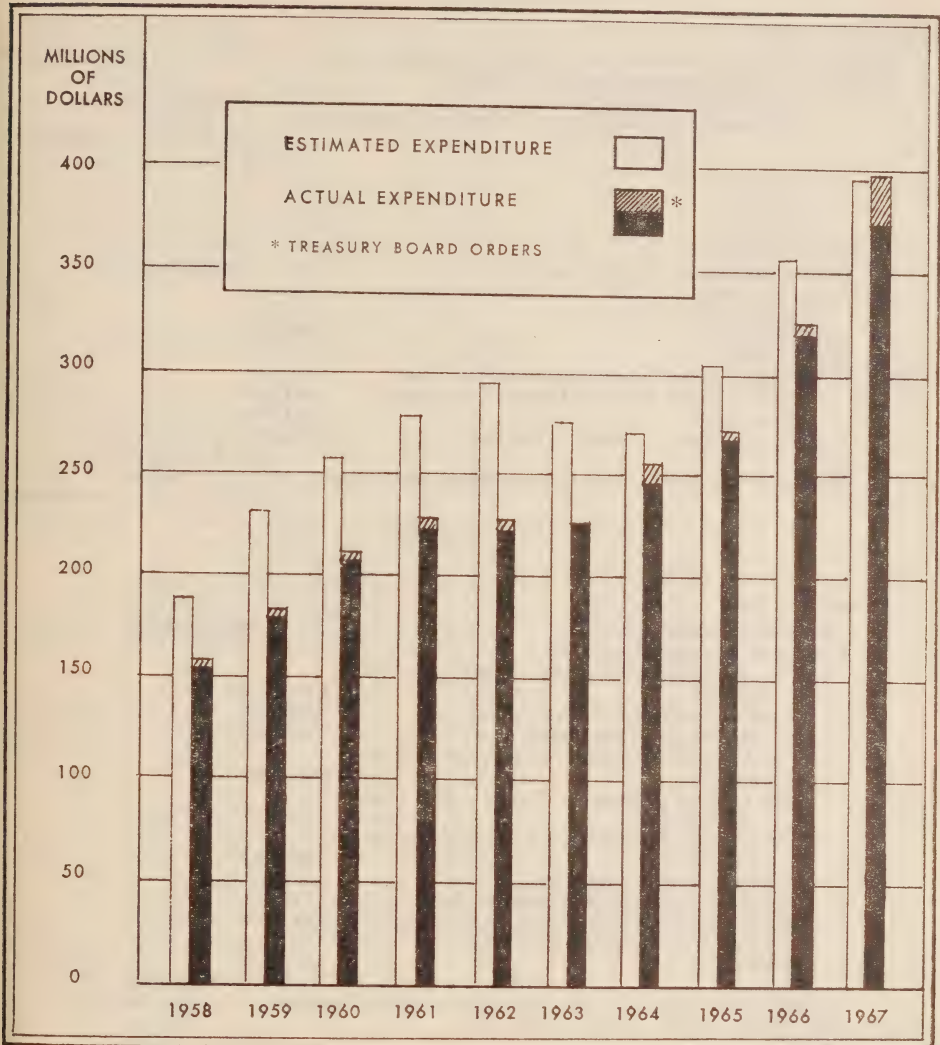
YEAR ENDED MARCH 31	SINKING FUND INSTALMENTS	INTEREST ETC.	TOTAL
1963	\$39,000,000	\$57,406,874	\$ 96,406,874
1964	41,500,000	60,739,257	102,239,257
1965	40,000,000	62,440,778	102,440,778
1966	41,500,000	63,174,702	104,674,702
1967	42,000,000	62,022,423	104,022,423

**ESTIMATED NET ORDINARY VOTED EXPENDITURE
COMPARED WITH ACTUAL NET ORDINARY VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1967**



YEAR ENDED MARCH 31	ESTIMATED NET ORDINARY VOTED EXPENDITURE	ACTUAL NET ORDINARY VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1958	\$ 455,108,500	\$ 428,260,609	\$ 7,020,270	\$ 435,280,879
1959	531,676,500	506,037,469	5,075,319	511,112,788
1960	561,796,000	535,551,563	6,385,557	541,937,120
1961	588,203,400	558,082,501	7,842,746	565,925,247
1962	687,030,500	649,736,213	10,573,093	660,309,306
1963	802,135,000	765,599,893	10,696,506	776,296,399
1964	834,456,000	789,664,393	18,103,088	807,767,481
1965	911,041,200	876,567,197	31,926,320	908,493,517
1966	1,057,151,600	1,009,034,002	41,561,165	1,050,595,167
1967	1,377,364,900	1,267,967,603	65,143,361	1,333,110,964

**ESTIMATED NET CAPITAL VOTED EXPENDITURE
COMPARED WITH ACTUAL NET CAPITAL VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1967**



YEAR ENDED MARCH 31	ESTIMATED NET CAPITAL VOTED EXPENDITURE	ACTUAL NET CAPITAL VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1958	\$188,044,000	\$150,851,738	\$ 4,594,280	\$155,446,018
1959	230,810,000	178,876,677	743,400	179,620,077
1960	258,127,000	207,399,300	1,637,177	209,036,477
1961	275,600,000	225,839,595	4,880,319	230,719,914
1962	298,009,000	227,725,859	519,719	228,245,578
1963	275,392,000	229,084,116	.....	229,084,116
1964	273,375,000	248,303,551	7,558,276	255,861,827
1965	303,707,000	269,871,194	3,168,158	273,039,352
1966	353,177,000	316,824,579	4,765,412	321,589,991
1967	399,385,000	373,749,414	25,885,052	399,634,466

SOURCE AND

For Fiscal Year

SOURCE OF FUNDS—

Excess of Ordinary Revenue over Ordinary Expenditure.....	\$	346,150
Add: Items not requiring an outlay of funds:		
Provision for Sinking Fund.....	\$	42,000,000
Discount and Exchange on Debentures, written off.....		1,885,022
		<u>43,885,022</u>

Increase in Liabilities:

Debentures Issued (net of discount).....	\$456,191,251	
Demand Deposits with Province of Ontario		
Savings Office (net).....	\$	1,288,752
Bank Loan.....		5,000,000
Special Funds:		
Public Service Superannuation Fund (net)...	27,392,342	
Motor Vehicle Accident Claims Fund (net)...	3,667,156	
Other (net).....	7,124,345	
Deposit—Housing Corporation Limited.....	150,000	
		<u>44,622,595</u>
Bequests, Scholarships and Outstanding Cheques (net).....		44,154
		<u>500,858,000</u>

Decrease in Assets:

Temporary Investments (net).....	\$	16,156,150
Loans and Advances Repaid—		
The Hydro-Electric Power Commission of Ontario.....	\$	3,400,504
Ontario Development Corporation.....		738,000
Ontario Housing Corporation.....		143,046
The Ontario Municipal Improvement Corporation.....		6,900,000
The Ontario Education Capital Aid Corporation.....		715,497
The Ontario Universities Capital Aid Corporation.....		1,896,133
Provincial Student-Aid Loans.....		1,158,506
The Municipality of Metropolitan Toronto..		911,000
The Municipal Works Assistance Act, 1963..		11,471,154
The Public Hospitals Act, Sec. 5a.....		734,768
Other.....		2,026,129
		<u>30,094,737</u>
Proceeds from Sinking Fund Investments sold and matured..		5,962,500
Sale of Capital Assets and Recoveries.....		1,587,593
Other.....		1,090
		<u>53,802,070</u>
		<u><u>\$598,891,242</u></u>

APPLICATION OF FUNDS

ended March 31, 1967

APPLICATION OF FUNDS—

Investment in Physical Assets:

Highways.....	\$265,398,181	
Mining and Access Roads, etc.....	1,133,492	
		\$266,531,673
Land and Buildings.....	\$ 45,690,869	
Dams, Docks and Locks.....	1,239,500	
		46,930,369
Rural Power Transmission Lines.....		430,389
Conservation Projects, etc.....		4,746,218
Special Projects re Townsites.....		767,723
Commuter Rail Project.....		9,282,421
Provincial Parks.....		5,103,863
		\$333,792,656
Less—Financed out of Ordinary Revenue.....		310,000,000
		\$ 23,792,656

Increase in Other Assets:

Cash on Hand and in Banks.....	\$ 76,089,782	
Loans and Advances:		
The Hydro-Electric Power Commission of Ontario—		
Secured Advance, less Discount assumed \$	34,693,750	
Unsecured Advance re Nuclear Powered Generating Station.....	5,242,269	
Ontario Development Corporation.....	7,738,000	
Ontario Housing Corporation.....	12,250,000	
Ontario Student Housing Corporation.....	350,000	
The Ontario Education Capital Aid Corporation.....	166,185,000	
The Ontario Junior Farmer Establishment Loan Corporation.....	16,210,431	
The Ontario Municipal Improvement Corporation.....	1,001,000	
The Ontario Universities Capital Aid Corporation.....	93,105,000	
The Sheridan Park Corporation.....	320,000	
Ontario Water Resources Commission.....	20,692,055	
Ontario Northland Transportation Commission.....	3,800,000	
The Municipal Works Assistance Act, 1963..	36,608,930	
The Public Hospitals Act, Sec. 5a.....	12,993,000	
Other.....	4,001,822	
		415,191,257
Uninvested Sinking Fund.....		35,500
Sinking Fund Investments Purchased.....		12,927,000
		504,243,539
Decrease in Liabilities:		
Ontario Hospital Services Commission—		
Special Account (net).....	\$ 11,000,000	
Debentures Retired through Sinking Fund.....	35,000,000	
Debentures Retired at Maturity.....	24,150,400	
Miscellaneous—Mortgage Principal.....	105,468	
		70,255,868
Repayment to Government of Canada under Tax Rental Agreement, 1952-56..		599,179
		\$598,891,242

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET ORDINARY
REVENUE FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

DEPARTMENT	INTERIM NET ORDINARY REVENUE	ACTUAL NET ORDINARY REVENUE	ACTUAL TO INTERIM INCREASE	DECREASE
Agriculture and Food.....	\$ 1,204,000	\$ 1,241,245	\$ 37,245	\$
Attorney General.....	13,676,000	14,188,042	512,042	
Economics and Development.....	30,000	70,328	40,328	
Education.....	5,632,000	5,899,760	267,760	
Energy and Resources Management	496,000	487,428		8,572
Financial and Commercial Affairs..	1,403,000	480,993		922,007
Health.....	4,376,000	5,177,495	801,495	
Highways.....	3,688,000	3,793,506	105,506	
Labour.....	2,180,000	2,073,396		106,604
Lands and Forests.....	26,225,000	26,288,442	63,442	
Mines.....	13,085,000	12,321,097		763,903
Municipal Affairs.....	906,000	822,106		83,894
Prime Minister.....		55	55	
Provincial Secretary and Citizenship	3,716,000	3,741,620	25,620	
Public Works.....	1,368,000	1,429,422	61,422	
Reform Institutions.....	866,000	883,837	17,837	
Social and Family Services.....	282,000	28,970		253,030
Tourism and Information.....	1,347,000	1,666,360	319,360	
Transport.....	95,487,000	100,343,311	4,856,311	
Treasury:				
Main Office—Subsidies.....	4,624,000	4,624,070	70	
Interest.....	72,000	72,633	633	
Miscellaneous.....	101,000	30,888		70,112
Ontario Racing Commission.....	140,000	177,977	37,977	
Liquor Control Board of Ontario	132,000,000	133,700,000	1,700,000	
Public Utilities Tax.....	1,000,000	1,050,879	50,879	
Water Power Rentals.....	7,000,000	7,367,514	367,514	
Pension Commission of Ontario..		97,599	97,599	
Revenue Division:				
Income Tax Collection Agree-				
ment.....	392,011,000	393,836,627	1,825,627	
Corporations Tax.....	267,000,000	274,499,829	7,499,829	
Retail Sales Tax.....	387,000,000	385,574,600		1,425,400
Gasoline Tax.....	264,000,000	266,391,391	2,391,391	
Succession Duty.....	57,000,000	57,913,234	913,234	
Share of Federal Estate Tax..	19,743,000	19,742,750		250
Tobacco Tax.....	18,000,000	18,553,413	553,413	
Motor Vehicle Fuel Tax, etc...	18,000,000	18,196,827	196,827	
Race Tracks Tax.....	13,500,000	14,672,636	1,172,636	
Hospitals Tax, etc.....	8,200,000	8,128,478		71,522
Land Transfer Tax.....	8,500,000	8,527,987	27,987	
Security Transfer Tax.....	3,500,000	3,502,503	2,503	
Logging Tax.....	2,000,000	1,744,835		255,165
Total for Treasury.....	<u>\$1,603,391,000</u>	<u>\$1,618,406,670</u>	<u>\$16,838,119</u>	<u>\$ 1,822,449</u>
University Affairs.....		76,983	76,983	
Stationery Account.....		46,265	46,265	
	<u>\$1,779,358,000</u>	<u>\$1,799,467,331</u>	<u>\$24,069,790</u>	<u>\$ 3,960,459</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

DEPARTMENT	INTERIM NET ORDINARY EXPENDITURE	ACTUAL NET ORDINARY EXPENDITURE	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Agriculture and Food.....	\$ 32,351,000	\$ 30,815,048	\$	\$ 1,535,952
Attorney General.....	46,243,000	47,449,595	1,206,595	
Civil Service.....	1,412,000	1,443,096	31,096	
Economics and Development.....	16,506,000	15,147,335		1,358,665
Education.....	577,262,000	557,039,221		20,222,779
Energy and Resources Management	10,676,000	10,610,537		65,463
Financial and Commercial Affairs..	1,646,000	794,996		851,004
Health.....	236,437,000	213,241,515		23,195,485
Highways.....	115,392,000	115,886,991	494,991	
Labour.....	9,281,000	9,751,725	470,725	
Lands and Forests.....	36,825,000	36,307,310		517,690
Lieutenant Governor.....	33,000	32,392		608
Mines.....	3,027,000	2,980,594		46,406
Municipal Affairs.....	50,579,000	49,429,227		1,149,773
Prime Minister.....	259,000	255,752		3,248
Provincial Auditor.....	640,000	657,466	17,466	
Provincial Secretary and Citizenship	6,108,000	6,233,616	125,616	
Public Works.....	17,067,000	17,234,378	167,378	
Reform Institutions.....	22,783,000	22,523,339		259,661
Social and Family Services.....	92,979,000	90,872,535		2,106,465
Tourism and Information.....	9,373,000	9,017,494		355,506
Transport.....	9,430,000	9,134,614		295,386
Treasury.....	34,459,000	35,164,626	705,626	
University Affairs.....	102,463,000	103,075,356	612,356	
	<u>\$1,433,231,000</u>	<u>\$1,385,098,758</u>	<u>\$ 3,831,849</u>	<u>\$51,964,091</u>
Public Debt:				
Interest, etc.....	62,319,000	62,022,423		296,577
Provision for Sinking Fund.....	42,000,000	42,000,000		
	<u>\$1,537,550,000</u>	<u>\$1,489,121,181</u>	<u>\$ 3,831,849</u>	<u>\$52,260,668</u>
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	241,000,000	310,000,000	69,000,000	
	<u>\$1,778,550,000</u>	<u>\$1,799,121,181</u>	<u>\$72,831,849</u>	<u>\$52,260,668</u>

3 months' actual—4 months' forecast.

COMPARATIVE SUMMARY

**INTERIM* AND ACTUAL NET ORDINARY REVENUE AND NET ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

	INTERIM	ACTUAL	ACTUAL TO INTERIM
Net Ordinary Revenue.....	\$1,779,358,000	\$1,799,467,331	\$20,109,331
Less: Net Ordinary Expenditure (before items below).....	\$1,495,550,000	\$1,447,121,181	\$48,428,819
Provision for Sinking Fund.....	42,000,000	42,000,000	
Capital Disbursements on Highways, Public Works, etc., financed out of Ordinary Revenue.....	241,000,000	310,000,000	69,000,000
Net Ordinary Expenditure.....	<u>\$1,778,550,000</u>	<u>\$1,799,121,181</u>	<u>\$20,571,181</u>
Surplus.....	<u>\$ 808,000</u>	<u>\$ 346,150</u>	<u>\$ 461,850</u>

* months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET CAPITAL
RECEIPTS FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

DEPARTMENT	INTERIM NET CAPITAL RECEIPTS	ACTUAL NET CAPITAL RECEIPTS	ACTUAL TO INTERIM INCREASE	DECREASE
Education.....	\$ 1,315,000	\$ 1,158,506	\$	\$ 156,494
Energy and Resources Management.....	34,000	37,688	3,688	
Health.....	4,000,000	2,283,924		1,716,076
Highways.....	250,000	309,348	59,348	
Labour.....	14,050,000	14,103,256	53,256	
Lands and Forests.....	1,070,000	1,135,952	65,952	
Mines.....	3,000	3,906	906	
Municipal Affairs.....	10,030,000	10,138,157	108,157	
Public Works.....	160,000	182,082	22,082	
Social and Family Services.....		8,142	8,142	
Transport.....	8,395,000	8,880,136	485,136	
Treasury.....	114,706,000	118,727,356	4,021,356	
	<u>\$154,013,000</u>	<u>\$156,968,453</u>	<u>\$4,828,023</u>	<u>\$1,872,570</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET CAPITAL
DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1966 TO MARCH 31, 1967**

DEPARTMENT	INTERIM NET CAPITAL DISBURSE- MENTS	ACTUAL NET CAPITAL DISBURSE- MENTS	ACTUAL TO INTERIM INCREASE	DECREASE
Agriculture and Food.....	\$ 626,000	\$ 600,400	\$	\$ 25,600
Economics and Development.....	13,345,000	12,920,000		425,000
Energy and Resources Management...	39,564,000	31,601,572		7,962,428
Health.....	18,383,000	12,993,000		5,390,000
Highways.....	274,393,000	274,680,601	287,601	
Labour.....	12,500,000	13,136,511	636,511	
Lands and Forests.....	5,340,000	5,905,589	565,589	
Mines.....	300,000	331,766	31,766	
Municipal Affairs.....	41,552,000	38,061,053		3,490,947
Public Works.....	46,279,000	47,035,837	756,837	
Social and Family Services.....		77,456	77,456	
Transport.....	4,904,000	5,212,980	308,980	
Treasury.....	364,932,000	361,154,080		3,777,920
	<u>\$822,118,000</u>	<u>\$803,710,845</u>	<u>\$ 2,664,740</u>	<u>\$21,071,895</u>
Less: Financed out of Ordinary Revenue	241,000,000	310,000,000	69,000,000	
	<u>\$581,118,000</u>	<u>\$493,710,845</u>	<u>\$66,335,260</u>	<u>\$21,071,895</u>

*8 months' actual—4 months' forecast.

TREASURY BOARD ORDERS

**STATEMENT OF TREASURY BOARD ORDERS ISSUED FOR THE
AUTHORIZATION OF EXPENDITURES IN EXCESS OF APPROPRIATIONS
DURING THE FISCAL YEAR ENDED MARCH 31, 1967**

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	ORDINARY				
	Department of Agriculture and Food				
Feb. 22, 1967	Main Office:				
	Salaries.....	21,000.00		11,649.87	
Dec. 1, 1966	Maintenance:				
Feb. 22, 1967	Order.....\$ 58,000.00				
	Order.....49,000.00				
Jan. 25, 1967	Grants.....	107,000.00		106,995.23	
July 13, 1966	Automobile Insurance.....	3,000.00		2,730.00	
Nov. 29, 1966	Unemployment Insurance.....	500.00		354.65	
	Workmen's Compensation Board, awards and costs:	2,500.00		1,822.34	
Nov. 2, 1966	Order.....\$ 11,000.00				
April 12, 1967	Order.....1,500.00				
		12,500.00		12,318.91	
Mar. 1, 1967	Agricultural and Horticultural Societies Branch:				
Mar. 1, 1967	Travelling expenses.....	1,000.00		217.62	
	Grants under The Communities Centres Act.....	87,000.00		86,777.93	
Mar. 1, 1967	Agricultural Rehabilitation and Development Branch:				
	Salaries.....	5,000.00		2,433.20	
April 5, 1967	Dairy Branch:				
	Salaries.....	44,000.00		41,456.13	
April 5, 1967	Extension Branch:				
Mar. 1, 1967	Salaries.....	114,500.00		112,138.32	
July 13, 1966	Travelling expenses.....	13,000.00		12,942.87	
	Subsidy payments and administration expenses of Federal-Provincial Adverse Weather Assistance Program, 1965.....	1,250,000.00		815,958.39	
Mar. 22, 1967	Farm Economics, Co-operatives and Statistics Branch:				
Mar. 22, 1967	Salaries.....	13,000.00		9,840.87	
Mar. 22, 1967	Travelling expenses.....	4,500.00		4,474.68	
	Maintenance.....	6,500.00		6,448.78	
Mar. 1, 1967	Farm Products Inspection Branch:				
Mar. 1, 1967	Salaries.....	26,000.00		19,858.77	
Mar. 1, 1967	Travelling expenses.....	12,000.00		8,036.20	
	Maintenance.....	5,500.00		3,136.65	
Aug. 24, 1966	Farm Products Marketing Board:				
	Maintenance.....	25,000.00		17,396.83	
April 12, 1967	Home Economics Branch:				
	Travelling expenses.....	3,000.00		441.22	
April 5, 1967	Information Branch:				
April 5, 1967	Salaries.....	23,000.00		22,784.29	
	Maintenance.....	43,000.00		37,858.21	

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Agriculture and Food —Continued		
Dec. 20, 1966	Live Stock Branch: The Warble Fly Control Act: Expenses and subsidies paid to municipalities....	5,000.00	3,277.79
April 12, 1967	Ontario Food Council: Salaries.....	3,000.00	370.98
April 5, 1967	Soils and Crops Branch: Salaries.....	*5,000.00	.....
Jan. 11, 1967	Veterinary Services Branch: Travelling expenses.....	99,000.00	98,929.18
Feb. 22, 1967	Rabies Indemnity payments.....	15,500.00	15,479.00
Mar. 15, 1967	Veterinary assistance to Designated Areas.....	3,500.00	3,124.90
Mar. 22, 1967	Demonstration Farm, New Liskeard: Salaries.....	7,500.00	7,324.38
Jan. 11, 1967	Travelling expenses.....	500.00	181.44
Mar. 22, 1967	Maintenance.....	8,000.00	5,654.25
April 12, 1967	Horticultural Research Institute of Ontario, Vineland Station: Salaries.....	32,000.00	29,637.21
Mar. 8, 1967	Maintenance.....	18,000.00	17,844.38
April 12, 1967	Kemptville Agricultural School: Maintenance.....	46,000.00	45,991.45
April 12, 1967	Western Ontario Agricultural School, Ridgetown: Salaries.....	29,000.00	28,990.79
April 12, 1967	Travelling expenses.....	1,000.00	221.01
		2,095,500.00	1,595,098.72
	Department of Attorney General		
Mar. 8, 1967	Main Office: Maintenance.....	3,000.00	1,628.30
Nov. 16, 1966	Royal Commissions.....	325,000.00	304,469.46
Mar. 22, 1967	Ontario Police Commission: Salaries.....	25,000.00	12,881.26
Mar. 22, 1967	Maintenance.....	47,000.00	41,821.79
Mar. 22, 1967	Office of the Legislative Counsel: Salaries.....	10,000.00	5,957.21
Jan. 4, 1967	Law Revision and other Committees' expenses....	26,000.00	25,957.62
Mar. 22, 1967	Administration and Finance Division: Salaries.....	93,000.00	73,860.83
Dec. 7, 1966	Unemployment Insurance.....	3,000.00	1,408.12
	Criminal Law Division: Salaries:		
Mar. 22, 1967	Order.....	\$ 62,000.00	
April 12, 1967	Order.....	17,000.00	
		79,000.00	73,730.65
Sept. 16, 1966	Crown Counsel Prosecutions.....	90,000.00	89,822.15
	Sundry Investigations:		
Nov. 16, 1966	Order.....	\$ 7,000.00	
Jan. 25, 1967	Order.....	11,000.00	
		18,000.00	17,700.44

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Attorney General—Continued		
	Criminal Law Division—Continued		
	Fees and Sundry Rewards:		
Aug. 17, 1966	Order.....\$ 2,000.00		
April 12, 1967	Order.....1,000.00		
		3,000.00	3,000.00
	Administration of Justice Division:		
Mar. 22, 1967	Salaries.....	822,000.00	766,320.38
	Maintenance:		
Dec. 7, 1966	Order.....\$ 6,000.00		
Mar. 22, 1967	Order.....12,000.00		
		18,000.00	17,924.06
Dec. 7, 1966	Grants.....	25,000.00	16,807.50
	Administration of Justice—Counties and Cities:		
Jan. 4, 1967	Order.....\$ 60,000.00		
April 12, 1967	Order.....21,000.00		
		81,000.00	80,773.07
Jan. 25, 1967	Administration of Justice—Districts.....	103,000.00	102,606.17
	Public Safety Division:		
Mar. 22, 1967	Salaries.....	16,000.00	5,809.10
Jan. 18, 1967	Maintenance.....	22,000.00	20,811.09
	Ontario Law Reform Commission:		
Mar. 22, 1967	Administrative expenses.....	8,000.00	7,225.38
	Ontario Provincial Police:		
	Salaries:		
Mar. 1, 1967	Order.....\$790,000.00		
April 12, 1967	Order.....90,000.00		
		880,000.00	872,021.57
		2,697,000.00	2,542,536.15
	Department of Civil Service		
	Main Office:		
Oct. 18, 1966	Salaries.....	23,500.00	22,182.39
Oct. 18, 1966	Travelling expenses.....	3,500.00	3,233.36
Oct. 18, 1966	Maintenance.....	5,000.00	4,997.38
	Position Administration:		
Mar. 22, 1967	Salaries.....	8,000.00	7,479.17
Dec. 20, 1966	Travelling expenses.....	6,000.00	3,379.09
	Recruitment and Examination:		
Feb. 15, 1967	Publications and advertising.....	15,000.00	12,441.99
	Pay Research:		
Mar. 22, 1967	Salaries.....	*1,500.00	.....
	Ontario Joint Council, Civil Service Arbitration Board and Grievance Boards:		
Oct. 18, 1966	Honoraria.....	10,000.00	6,910.00
	Publications:		
Mar. 22, 1967	Salaries.....	2,000.00	1,579.54
		74,500.00	62,202.92

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Economics and Development		
	Main Office:		
	Salaries:		
Feb. 15, 1967	Order.....\$ 56,000.00		
April 5, 1967	Order.....16,000.00		
		72,000.00	70,926.31
Feb. 1, 1967	Postage—entire department.....	12,000.00	11,622.93
Aug. 12, 1966	Grants to aid Regional Development Associations.....	100,000.00	100,000.00
Jan. 25, 1967	Grant to Ontario Research Foundation to be paid in amounts as may be authorized by the Minister		
	Advertising, films, conferences, special services and publications arising therefrom.....	250,000.00	250,000.00
Dec. 6, 1966	Costs of participation in the Canadian Universal and International Exhibition of 1967:		
	Order.....\$2,250,000.00		
Aug. 24, 1966	Order.....2,052,000.00		
Nov. 10, 1966		4,302,000.00	4,143,336.88
	Ontario Development Agency:		
Jan. 25, 1967	Maintenance including per diem allowances, fees and general operating expenses.....	25,000.00	14,987.59
	Ontario House:		
Aug. 12, 1966	Salaries.....	31,000.00	30,722.43
	Maintenance including rent and rates, allowances, and general operating expenses:		
Aug. 12, 1966	Order.....\$ 18,000.00		
April 12, 1967	Order.....38,000.00		
		56,000.00	54,050.35
	Ontario Housing Corporation:		
April 12, 1967	Rent Certificate Scheme.....	3,500.00	3,083.57
		5,015,500.00	4,842,049.64
	Department of Education		
	Main Office:		
April 5, 1967	Inter-Provincial Committee.....	9,000.00	8,312.75
	Departmental Business Administration Branch:		
Jan. 18, 1967	Salaries.....	105,000.00	72,923.75
Jan. 18, 1967	Maintenance.....	156,000.00	146,806.75
Jan. 18, 1967	Unemployment Insurance.....	8,500.00	2,371.95
	School Business Administration Branch:		
Mar. 15, 1967	Maintenance.....	10,500.00	8,110.11
	Education Data Centre:		
	Salaries:		
Jan. 11, 1967	Order.....\$116,000.00		
April 12, 1967	Order.....7,000.00		
		123,000.00	118,319.73
April 5, 1967	Maintenance.....	50,000.00	48,137.98
	Information Branch:		
April 12, 1967	Travelling expenses.....	1,500.00	855.76
Feb. 22, 1967	Publications and newsletters.....	124,000.00	120,438.50
	Program Branch:		
Mar. 15, 1967	Maintenance.....	152,000.00	151,998.30
	Expenses of the Provincial Committee on the Aims and Objectives of Education in the Schools of Ontario:		
Mar. 1, 1967	Order.....\$ 28,000.00		
April 12, 1967	Order.....11,000.00		
		39,000.00	38,953.74

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Education—Continued		
April 19, 1967	Teacher Education Branch:		
Jan. 18, 1967	Salaries.....	34,000.00	16,705.65
	Summer Courses for teachers.....	15,000.00	10,545.96
Feb. 9, 1967	Special Schools and Services Branch:		
	Cost of education of French-speaking deaf and blind children in attendance at institutions outside Ontario.....	11,000.00	6,300.00
April 12, 1967	Technological and Trades Training Branch:		
April 19, 1967	Salaries:		
	Order..... \$ 50,000.00		
	Order..... 105,000.00		
		155,000.00	142,882.99
Jan. 4, 1967	Youth Branch:		
	Maintenance.....	1,500.00	1,409.96
Nov. 23, 1966	Federal-Provincial Agreements:		
Feb. 22, 1967	Various programs, services, expenses, etc.:		
	Order..... \$15,000,000.00		
	Order..... 7,500,000.00		
		22,500,000.00	21,541,202.81
Nov. 23, 1966	Legislative Grants, etc.:		
	Special capital grants for school accommodation for retarded children.....	553,000.00	506,197.37
Dec. 13, 1966	Miscellaneous Grants:		
April 12, 1967	Miscellaneous grants:		
	Order..... \$ 70,000.00		
	Order..... 11,000.00		
		81,000.00	80,783.40
Nov. 23, 1966	Grant to the Ontario Institute for Studies in Education:		
Dec. 13, 1966	Grant to the Ontario Institute for Studies in Education:		
Jan. 25, 1967	Order..... \$260,000.00		
	Order..... 180,000.00		
	Order..... 402,000.00		
		842,000.00	842,000.00
		24,971,000.00	23,865,257.46
	Department of Energy and Resources Management		
Feb. 9, 1967	Main Office:		
April 5, 1967	Maintenance:		
	Order..... \$ 1,500.00		
	Order..... 12,000.00		
April 5, 1967		13,500.00	8,634.85
Jan. 4, 1967	Advertising, exhibits, conferences.....	5,000.00	4,172.34
May 18, 1966	Removal expenses of officials.....	5,000.00	4,284.59
	Grant to University of Toronto re Great Lakes Institute.....	25,000.00	25,000.00
April 5, 1967	Energy Branch:		
Feb. 9, 1967	Maintenance.....	28,000.00	21,949.41
	Abandoned Works Fund.....	5,000.00	4,602.15
Sept. 7, 1966	Ontario Energy Board:		
April 5, 1967	Maintenance:		
	Order..... \$ 2,000.00		
	Order..... 1,000.00		
Feb. 15, 1967		3,000.00	2,783.76
	Hearing costs.....	8,000.00	6,231.34

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Energy and Resources Management—Continued		
	Conservation Authorities Branch:		
Feb, 9, 1967	Maintenance.....	4,500.00	1,082.53
	River Valley Conservation Surveys: wages and expenses, aerial surveys and river gauging, preparation and production of maps:		
Jan. 25, 1967	Order.....	\$ 16,500.00	
April 5, 1967	Order.....	16,500.00	
		33,000.00	26,017.83
	Ontario Water Resources Commission—		
	Operations:		
April 12, 1967	Salaries.....	35,000.00	33,546.98
Feb. 1, 1967	Engineering Studies.....	170,000.00	169,644.71
		335,000.00	307,950.49
	Department of Health		
	Main Office:		
Feb. 22, 1967	Salaries.....	158,000.00	134,125.53
	Maintenance:		
Feb. 1, 1967	Order.....	\$ 36,500.00	
April 5, 1967	Order.....	30,000.00	
		66,500.00	65,651.30
Dec. 7, 1966	Medical and other research: services and expenses as authorized by the Minister.....	130,000.00	51,120.25
April 5, 1967	Information and Publicity.....	5,000.00	4,773.75
April 12, 1967	Workmen's Compensation Board—awards and costs, excluding Mental Health Branch.....	500.00	302.09
Mar. 22, 1967	Homes for Special Care.....	1,000,000.00	988,764.06
Aug. 10, 1966	Unemployment Insurance.....	9,000.00	3,639.52
	Public Health Administration Branch:		
Mar. 22, 1967	Salaries.....	30,000.00	26,617.97
	Maternal and Child Health Branch:		
Feb. 22, 1967	Maintenance.....	2,000.00	1,917.02
	Dental Service Branch:		
Feb. 15, 1967	Salaries.....	12,000.00	9,267.70
	Tuberculosis Prevention Branch:		
April 5, 1967	Tuberculosis Prevention Extension.....	15,000.00	14,935.46
	Industrial Hygiene Branch:		
Mar. 22, 1967	Grants to assist Local Boards of Health re air pollution control programs as directed by the Lieutenant Governor in Council, or in accordance with Sec. 2 of The Air Pollution Control Act.....	1,500.00	1,274.30
	Mental Health Branch:		
April 5, 1967	Travelling expenses.....	2,000.00	1,439.31
April 5, 1967	Maintenance.....	10,000.00	9,980.92
April 5, 1967	Workmen's Compensation Board—awards and costs for Mental Health Branch.....	30,000.00	28,783.05
Feb. 22, 1967	Printing and stationery.....	15,000.00	13,143.71
April 12, 1967	Ontario Hospitals, Maintenance.....	1,200,000.00	1,073,386.56
	Medical Services Insurance Division:		
Feb. 9, 1967	Administration Branch, Maintenance.....	272,000.00	271,992.25
April 12, 1967	Data Processing Branch, Maintenance.....	75,000.00	74,432.71
		3,033,500.00	2,775,547.60

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
Department of Highways			
General Administration:			
Mar. 22, 1967	Salaries.....	150,000.00	141,324.75
Feb. 9, 1967	Maintenance.....	29,000.00	27,941.55
Mar. 8, 1967	Collection of bridge tolls.....	36,000.00	35,831.18
Mar. 8, 1967	Roads publicity.....	75,000.00	74,762.12
Electronic Computing Services:			
Feb. 1, 1967	Salaries.....	103,000.00	87,520.79
Feb. 1, 1967	Travelling expenses.....	2,000.00	1,908.35
Feb. 1, 1967	Maintenance.....	30,000.00	29,869.26
Feb. 1, 1967	Rental of equipment.....	167,000.00	166,806.81
Maintenance—King's Highways and Other Roads:			
Dec. 8, 1966	General Maintenance: King's Highways and Secondary Highways (The Highway Improvement Act, Secs. 22, 30, 33, 41, 42, 44, 94a (2) and 108).....	3,500,000.00	2,034,921.42
	Winter Maintenance: King's Highways and Secondary Highways (The Highway Improvement Act, Secs. 22, 33, 41, 42, 44, 94a (2) and 108).....		
Mar. 8, 1967	Order.....	\$6,350,000.00	
April 12, 1967	Order.....	650,000.00	
		7,000,000.00	6,999,682.53
Purchasing and Other Services:			
Mar. 8, 1967	Salaries.....	245,000.00	219,779.06
April 12, 1967	Equipment and Supplies.....	50,000.00	48,734.70
April 5, 1967	Sundry Services.....	190,000.00	181,064.98
		11,577,000.00	10,050,147.50
Department of Labour			
Main Office:			
April 12, 1967	Salaries.....	53,000.00	51,711.22
April 12, 1967	Maintenance.....	60,000.00	59,307.53
April 12, 1967	Advertising: Conferences, information services, staff development, membership fees and legal costs.....	12,000.00	7,880.48
Workmen's Compensation Board—awards and costs:			
Jan. 25, 1967	Order.....	\$3,500.00	
April 12, 1967	Order.....	2,000.00	
		5,500.00	4,285.86
Industrial Training Branch:			
Dec. 14, 1966	Salaries.....	185,000.00	144,100.98
April 12, 1967	Travelling expenses.....	*4,000.00	
Dec. 14, 1966	Maintenance.....	65,000.00	64,649.74
Industrial Training (special classes):			
Jan. 25, 1967	Order.....	\$1,100,000.00	
April 12, 1967	Order.....	337,000.00	
		1,437,000.00	1,394,364.58
Conciliation Services:			
April 12, 1967	Salaries.....	11,000.00	10,270.49
April 12, 1967	Maintenance.....	2,000.00	467.46
Labour Standards Branch:			
Bank Charges re Vacation-with-Pay Stamps:			
Jan. 25, 1967	Order.....	\$ 30,000.00	
April 12, 1967	Order.....	18,000.00	
		48,000.00	47,978.54

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Labour—Continued				
	Labour Relations Board:				
April 12, 1967	Salaries.....	26,500.00		22,604.19	
April 12, 1967	Maintenance.....	3,500.00		2,480.31	
	Human Rights Commission:				
Feb. 22, 1967	Salaries.....	15,000.00		12,501.04	
Nov. 9, 1966	Travelling expenses.....	8,000.00		5,019.18	
Jan. 25, 1967	Maintenance.....	4,000.00		3,296.31	
	Research Branch:				
April 12, 1967	Salaries.....	1,500.00		1,471.75	
		1,941,000.00		1,832,389.66	
	Department of Lands and Forests				
	Main Office:				
April 12, 1967	Workmen's Compensation Board—awards and costs.....	11,500.00		10,320.17	
Mar. 1, 1967	Unemployment Insurance.....	15,000.00		13,938.37	
Jan. 4, 1967	Grant to Canadian Council of Resource Ministers.....	7,000.00		6,656.00	
	Fish and Wildlife Branch:				
April 12, 1967	Salaries.....	5,000.00		4,550.73	
	Forest Protection Branch:				
April 12, 1967	Salaries.....	4,000.00		2,960.64	
	Parks Branch:				
April 12, 1967	Salaries.....	7,000.00		6,711.34	
	Research Branch:				
April 12, 1967	Salaries.....	54,000.00		53,685.32	
April 12, 1967	Travelling expenses.....	4,000.00		3,913.22	
Feb. 15, 1967	Maintenance and operating.....	17,500.00		17,490.62	
	Timber Branch:				
April 12, 1967	Salaries.....	5,000.00		2,549.59	
April 12, 1967	Travelling expenses.....	4,500.00		4,467.67	
	Forest Ranger School:				
April 12, 1967	Salaries, expenses, maintenance and operating.....	23,000.00		20,457.81	
	Junior Ranger Program:				
Feb. 1, 1967	Wages, expenses, maintenance and operating.....	34,000.00		27,616.38	
	Basic Organization—Field Services:				
	Salaries:				
Jan. 4, 1967	Order.....	\$2,050,000.00			
April 12, 1967	Order.....	100,000.00			
		2,150,000.00		2,100,147.63	
	Maintenance and operating:				
Mar. 8, 1967	Order.....	\$ 307,000.00			
April 12, 1967	Order.....	112,000.00			
		419,000.00		415,799.40	
April 12, 1967	Equipment (other than Forest Fire Suppression).....	335,000.00		334,990.41	
	Extra Fire Fighting:				
Nov. 29, 1966	Wages, expenses, maintenance and operating.....	90,000.00		66,662.71	
Mar. 1, 1967	Forest fire suppression equipment.....	16,500.00		16,408.31	
		3,202,000.00		3,109,326.33	

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Mines		
Mar. 22, 1967	Main Office:		
April 5, 1967	Salaries.....	16,000.00	11,689.76
	Maintenance, including office machinery and furniture for entire Department, except sulphur fumes arbitrator.....	19,000.00	5,808.89
Mar. 22, 1967	Mines Inspection Branch:		
Nov. 2, 1966	Salaries.....	14,000.00	11,660.02
	Travelling expenses.....	18,000.00	13,485.27
Mar. 22, 1967	Laboratories Branch:		
April 26, 1967	Salaries:		
	Order.....\$ 9,000.00		
	Order.....500.00		
Jan. 25, 1967	Maintenance.....	9,500.00	9,054.49
		5,000.00	4,005.23
Jan. 4, 1967	Mining Lands Branch:		
Mar. 22, 1967	Salaries:		
	Order.....\$ 15,000.00		
	Order.....4,500.00		
Jan. 4, 1967	Travelling expenses.....	19,500.00	19,166.68
		3,000.00	2,258.31
Jan. 4, 1967	Maintenance:		
April 12, 1967	Order.....\$ 13,500.00		
	Order.....6,000.00	19,500.00	17,139.15
		123,500.00	94,267.80
	Department of Municipal Affairs		
April 13, 1967	Community Planning:		
Feb. 8, 1967	Salaries.....	24,000.00	21,871.22
April 5, 1967	Travelling expenses.....	8,000.00	7,223.64
	Maintenance.....	8,000.00	5,998.50
July 20, 1966	Municipal Finance Division:		
	Maintenance.....	30,000.00	16,230.73
April 5, 1967	Municipal Administration and Assessment:		
April 5, 1967	Travelling expenses.....	7,000.00	2,589.38
	Maintenance.....	24,000.00	23,525.73
Dec. 7, 1966	Subsidies, Grants and Payments to Municipalities:		
Dec. 7, 1966	The Municipal Tax Assistance Act, Payments in lieu of taxes for general municipal purposes on provincial property.....	250,000.00	187,530.33
Mar. 22, 1967	Winter Works Incentive Program.....	600,000.00	284,110.70
	Payments of municipal taxes with respect to tenant-occupied provincial property.....	200,000.00	143,791.85
April 5, 1967	Ontario Municipal Board:		
April 5, 1967	Salaries.....	56,000.00	53,753.30
April 5, 1967	Travelling expenses.....	4,500.00	3,218.53
April 5, 1967	Maintenance.....	20,000.00	15,778.60
		1,231,500.00	765,622.51

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	Department of Prime Minister				
	Main Office:				
	Salaries:				
Feb. 1, 1967	Order.....	\$	6,000.00		
Mar. 22, 1967	Order.....		1,000.00		
			7,000.00		6,734.05
	Office of Provincial Auditor				
	Office of Provincial Auditor:				
Mar. 1, 1967	Salaries.....		20,000.00		15,281.74
	Department of Provincial Secretary and Citizenship				
	Main Office and General Departmental Expenses:				
April 5, 1967	Salaries.....		33,000.00		32,153.35
Mar. 8, 1967	Maintenance.....		20,000.00		19,875.83
	Government Hospitality Fund:				
Dec. 20, 1966	Order.....	\$	15,000.00		
Feb. 1, 1967	Order.....		15,000.00		
			30,000.00		17,709.50
	Companies Branch:				
Feb. 9, 1967	Salaries.....		91,000.00		88,376.51
Nov. 21, 1966	Maintenance.....		40,000.00		35,190.58
	Citizenship Branch:				
	Teaching Costs:				
Dec. 29, 1966	Order.....	\$	115,000.00		
April 12, 1967	Order.....		10,000.00		
			125,000.00		120,181.19
	Legislative Library:				
April 5, 1967	Salaries.....		5,000.00		4,312.72
	Clerk of The Legislative Assembly and Chief Election Officer:				
April 5, 1967	Salaries.....		14,000.00		12,695.65
April 12, 1967	Maintenance.....		1,500.00		1,431.01
	Sessional and Other Requirements:				
April 12, 1967	Clerks of Committees, Sergeant-at-arms, Messengers, Pages, Sessional Writers, Office, Secretarial, Research Services, etc.....		30,000.00		18,014.77
April 12, 1967	Stationery, including printing paper, printing bills, distribution of Statutes, printing and binding..		50,000.00		41,000.78
	Hansard—reporting, printing, etc.:				
Sept. 28, 1966	Order.....	\$	25,000.00		
Feb. 15, 1967	Order.....		45,000.00		
			70,000.00		69,995.94
	Committee fees, etc.:				
Oct. 18, 1966	Order.....	\$	50,000.00		
Dec. 20, 1966	Order.....		50,000.00		
Feb. 1, 1967	Order.....		50,000.00		
April 12, 1967	Order.....		25,000.00		
			175,000.00		164,746.12
Dec. 20, 1966	Grant and Expenses in connection with Commonwealth Parliamentary Association.....		12,000.00		11,806.36
	Queen's Printer:				
April 5, 1967	Salaries.....		12,000.00		11,489.96
April 12, 1967	Ontario Gazette.....		14,000.00		13,313.89

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Provincial Secretary and Citizenship—Continued		
	Registrar General's Branch:		
	General Operations:		
April 5, 1967	Salaries.....	54,000.00	53,439.15
April 12, 1967	Maintenance.....	8,000.00	7,825.07
	Data Processing:		
April 5, 1967	Salaries.....	2,000.00	1,570.41
	Post Office:		
April 5, 1967	Salaries.....	8,000.00	7,915.15
April 5, 1967	Postage and Maintenance.....	20,000.00	19,180.35
		814,500.00	752,224.29
	Department of Public Works		
	Main Office:		
Mar. 8, 1967	Salaries.....	134,000.00	126,839.92
April 12, 1967	Travelling expenses.....	500.00	492.50
	Maintenance:		
Nov. 2, 1966	Order..... \$ 69,000.00		
Feb. 15, 1967	Order..... 25,000.00		
		94,000.00	93,905.98
Mar. 15, 1967	Insurance.....	1,500.00	1,211.73
April 12, 1967	Workmen's Compensation Board—awards and costs.....	12,000.00	11,889.75
	Ontario Government Buildings—		
	Operational Maintenance:		
Mar. 8, 1967	Salaries—Maintenance Staff.....	650,000.00	621,308.38
April 12, 1967	Maintenance Supplies, etc.: Fuel, electricity, gas and water, housekeeping supplies, upkeep of grounds, etc.....	125,000.00	116,926.35
	Ontario Government Buildings—		
	Repairs:		
Feb. 15, 1967	Repairs to Buildings and Services, Equipment Replacement and Incidentals.....	785,000.00	781,290.67
	Leased Premises:		
Mar. 8, 1967	Rentals and expenses in connection therewith....	160,000.00	153,326.00
	Miscellaneous:		
April 12, 1967	Dredging—Dredging in the Muskoka Lakes....	2,500.00	1,116.23
		1,964,500.00	1,908,307.51
	Department of Reform Institutions		
	Main Office:		
Mar. 15, 1967	Salaries.....	30,000.00	10,142.68
Mar. 15, 1967	Travelling expenses.....	7,000.00	2,317.77
April 12, 1967	Maintenance.....	30,000.00	22,073.60
Mar. 22, 1967	Prisoners' removal and other expenses, Travelling and other expenses of bailiffs and prisoners....	30,000.00	24,822.00
Feb. 15, 1967	Advisory Committees—allowances and expenses..	6,000.00	4,177.24
Mar. 22, 1967	Workmen's Compensation Board—awards and costs.....	6,000.00	4,232.98
	Parole and Rehabilitation Service:		
Mar. 15, 1967	Salaries.....	30,000.00	29,718.38

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Reform Institutions —Continued		
	Institutions:		
Mar. 15, 1967	Salaries.....	340,000.00	228,514.80
Mar. 15, 1967	Travelling expenses.....	12,000.00	11,669.49
April 12, 1967	General Maintenance: Medicine and medical comforts, including tobacco; groceries and provisions; fuel, light and water; clothing; laundry and cleaning; furniture and furnishings; office expenses; farm expenses; equipment and expenses; including those for recreation, trade, academic and physical training; contingencies; gratuities to inmates; maintenance of wards in foster homes.....	90,000.00	89,383.70
	Grants to Private Training Schools:		
Nov. 15, 1966	Order.....\$590,000.00		
April 12, 1967	Order.....130,000.00		
		720,000.00	712,807.59
		1,301,000.00	1,139,860.32
	Department of Social and Family Services		
	Main Office:		
Feb. 9, 1967	Salaries.....	33,000.00	26,335.23
Jan. 18, 1967	Maintenance.....	6,500.00	5,261.16
	Child Welfare Branch:		
Mar. 8, 1967	Salaries.....	2,000.00	655.35
Mar. 1, 1967	Travelling expenses.....	6,500.00	3,708.91
Jan. 11, 1967	Comprehensive Treatment Demonstration—Boys Village, Toronto.....	85,000.00	43,475.00
Dec. 22, 1966	Expenditures in accordance with The Child Welfare Act, 1965.....	3,790,000.00	3,272,587.12
	Day Nurseries Branch:		
Feb. 9, 1967	Salaries.....	10,000.00	9,779.49
Feb. 22, 1967	Travelling expenses.....	1,000.00	995.25
	Field Services Branch:		
Feb. 9, 1967	Salaries.....	237,000.00	217,371.88
Mar. 8, 1967	Travelling expenses.....	22,500.00	11,557.81
Jan. 25, 1967	Maintenance.....	30,000.00	27,801.00
	General Welfare Assistance Branch:		
Mar. 8, 1967	Salaries.....	5,000.00	798.00
Mar. 22, 1967	Subsidies on Homemakers and Nurses Services (The Homemakers and Nurses Services Act—R.S.O. 1960, Chap. 173).....	64,000.00	62,926.60
	Homes for the Aged Branch:		
Mar. 1, 1967	Grants: Subsidies on operation and maintenance costs (The Charitable Institutions Act, 1962-63).....	71,000.00	16,633.00
Feb. 22, 1967	Grants: Subsidies on operation and maintenance costs (The Homes for the Aged Act—R.S.O. 1960, Chap. 174, as amended, and The Homes for the Aged and Rest Homes Act).....	1,000,000.00	986,037.10
	Indian Development Branch:		
Nov. 23, 1966	Maintenance.....	5,200.00	4,535.80
	Rehabilitation Services Branch:		
Mar. 1, 1967	Maintenance.....	3,500.00	1,665.70
Jan. 18, 1967	Rehabilitation Services (The Rehabilitation Services Act—R.S.O. 1960, Chap. 350).....	60,000.00	52,913.00

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Social and Family Services —Continued		
	Welfare Allowances Branch:		
Mar. 15, 1967	Salaries.....	122,000.00	113,023.43
Jan. 25, 1967	Maintenance.....	36,500.00	36,015.34
Mar. 1, 1967	Dental Services—Beneficiaries under The Mothers' Allowances Act—R.S.O. 1960, Chap. 247, as amended.....	27,000.00	26,122.50
Mar. 1, 1967	Allowances in accordance with The Mothers' Allowances Act—R.S.O. 1960, Chap. 247, as amended.....	1,404,000.00	1,336,859.60
Jan. 18, 1967	Special Aid to Thalidomide Children.....	*2,500.00	
		7,024,200.00	6,257,058.62
	Department of Tourism and Information		
	Main Office:		
Dec. 20, 1966	Salaries.....	10,000.00	9,289.89
Dec. 20, 1966	Travelling expenses.....	6,000.00	5,262.92
Mar. 22, 1967	Maintenance.....	3,000.00	2,290.82
	Administrative Branch:		
Dec. 20, 1966	Salaries.....	40,000.00	38,557.11
Dec. 20, 1966	Travelling expenses.....	15,000.00	12,116.12
	Maintenance:		
Nov. 2, 1966	Order.....\$ 6,000.00		
Nov. 2, 1966	Order.....12,000.00		
		18,000.00	17,728.01
Jan. 4, 1967	Centennial Planning.....	391,000.00	327,865.76
	Information and Promotion Division:		
	Maintenance:		
Jan. 25, 1967	Order.....\$110,000.00		
Mar. 8, 1967	Order.....75,000.00		
		185,000.00	184,863.02
Feb. 22, 1967	Purchase of photographic supplies, motion pictures and equipment.....	8,000.00	7,422.58
Mar. 22, 1967	Advertising.....	8,000.00	4,874.78
	Tourist Industry Development Branch:		
Dec. 20, 1966	Salaries.....	30,000.00	21,029.67
Mar. 22, 1967	Maintenance.....	5,000.00	4,924.35
Mar. 22, 1967	Administration and enforcement of The Tourist Establishments Act and The Department of Tourism and Information Act; regional meetings; purchase of books; and other incidental expenses as authorized by the Minister.....	5,500.00	5,452.49
	Operation of Official Reception Centres and other information services, including purchase and rental of equipment, travelling expenses, telephone service, postage and other incidental expenses as authorized by the Minister:		
an. 4, 1967	Order.....\$ 2,000.00		
Jan. 22, 1967	Order.....2,000.00		
		4,000.00	3,797.42
	Public Records and Archives:		
	Salaries:		
eb. 22, 1967	Order.....\$ 4,000.00		
lar. 22, 1967	Order.....3,000.00		
		7,000.00	4,695.56
ct. 19, 1966	Maintenance.....	70,000.00	68,112.05

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Tourism and Information —Continued		
	The St. Lawrence Parks Commission:		
	Administration:		
Feb. 22, 1967	Land Acquisition.....	80,000.00	78,385.70
	Operation of Historic Sites:		
Dec. 20, 1966	Salaries.....	80,000.00	59,957.48
Nov. 2, 1966	Travelling expenses.....	2,000.00	1,999.62
Feb. 22, 1967	Construction and Development.....	50,000.00	13,084.63
	Operation of Parks:		
Dec. 20, 1966	Salaries.....	114,000.00	111,348.88
Feb. 22, 1967	Construction and Development.....	80,000.00	78,042.88
		1,211,500.00	1,061,101.74
	Department of Transport		
	Main Office:		
Mar. 22, 1967	Salaries.....	37,000.00	13,408.12
	Ontario Highway Transport Board:		
Mar. 22, 1967	Salaries.....	8,000.00	5,047.53
	Highway Safety Branch:		
Mar. 8, 1967	Salaries.....	8,000.00	6,577.19
Mar. 8, 1967	Maintenance.....	6,000.00	5,262.21
	Motor Vehicles Administration:		
Mar. 22, 1967	Salaries.....	176,000.00	142,588.67
April 12, 1967	Maintenance.....	25,000.00	16,488.38
April 5, 1967	Registration plates and supplies.....	145,000.00	105,453.22
	Data Processing Branch:		
Mar. 22, 1967	Maintenance.....	14,000.00	3,284.30
	Motor Vehicle Accident Claims Fund:		
Feb. 15, 1967	Salaries.....	35,000.00	29,865.89
	Professional, legal and adjuster fees:		
Jan. 25, 1967	Order.....\$100,000.00		
Mar. 22, 1967	Order.....75,000.00	175,000.00	154,899.42
		629,000.00	482,874.93
	Treasury Department		
	General Administration:		
April 5, 1967	Maintenance.....	10,000.00	9,890.91
April 12, 1967	Premium on Fidelity Bonds.....	4,000.00	3,718.64
Dec. 22, 1966	Expenses for special studies, etc.....	118,000.00	76,548.24
Feb. 22, 1967	Grants: Canadian Standard Bred Horse Society (in amounts as may be authorized by the Treasurer).....	12,000.00	11,767.51
Feb. 1, 1967	Grants: Canadian Thoroughbred Horse Society (in amounts as may be authorized by the Treasurer).....	8,000.00	7,650.86
	Treasury Board Division:		
April 5, 1967	Maintenance.....	7,500.00	7,453.65
	Accounts Division:		
Mar. 1, 1967	Salaries.....	96,000.00	94,565.75
April 12, 1967	Maintenance.....	33,000.00	28,350.86
Jan. 4, 1967	Unemployment Insurance.....	2,500.00	1,449.38
June 21, 1967	Government contribution to Canada Pension Plan.....	240,000.00	239,558.11

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Treasury Department—Continued		
	Finance Division:		
April 5, 1967	Salaries.....	3,500.00	2,412.52
Feb. 9, 1967	Maintenance.....	5,000.00	4,831.26
	Revenue Division:		
April 5, 1967	Salaries.....	310,000.00	264,580.10
Mar. 1, 1967	Travelling expenses.....	85,000.00	43,780.73
	Data Processing Branch:		
April 12, 1967	Maintenance.....	85,000.00	66,632.33
April 12, 1967	Rental of equipment.....	13,000.00	11,794.63
	Ontario Racing Commission:		
April 12, 1967	Salaries and allowances.....	7,000.00	6,043.29
April 13, 1967	Maintenance.....	5,000.00	4,649.67
		1,044,500.00	885,678.44
	Department of University Affairs		
	Main Office:		
	Maintenance:		
Oct. 18, 1966	Order..... \$ 90,000.00		
Feb. 15, 1967	Order..... 50,000.00	140,000.00	139,755.54
	Grants to Universities and Colleges:		
	Grants for Operating Costs:		
Dec. 20, 1966	Order..... \$750,000.00		
Feb. 15, 1967	Order..... *170,000.00	920,000.00	544,606.85
	Student Awards:		
Mar. 15, 1967	Ontario Student Awards Program.....	500,000.00	107,480.50
		1,560,000.00	791,842.89
	Total Ordinary Treasury Board Orders.....	71,873,200.00	65,143,361.31

DATE OF ORDER	SERVICE	AUTHORIZED		EXPENDED	
		\$	c.	\$	c.
	CAPITAL				
	Department of Agriculture and Food				
Dec. 7, 1966	Main Office: Loans in accordance with The Co-operative Loans Act.....	226,000.00		200,400.00	
	Department of Economics and Development				
Jan. 11, 1967	Ontario Housing Corporation: Advances for projects under The Ontario Housing Corporation Act.....	3,500,000.00		2,500,000.00	
	Department of Energy and Resources Management				
Jan. 4, 1967	The Hydro-Electric Power Commission of Ontario: To provide for the Province's share of the costs of construction and installation of plant and equipment and expenses relating to the 1000 Megawatt Nuclear Powered Generating Station as directed by the Lieutenant Governor in Council	1,674,000.00		1,342,269.00	
	Department of Highways				
April 12, 1967	Construction and Other Capital Projects: Construction—King's Highways and Secondary Highways (The Highway Improvement Act, Secs. 22, 41, 94a (2), 100 and 108).....	4,000,000.00		3,722,286.00	
April 12, 1967	Municipal Subsidies (The Highway Improvement Act, Secs. 51, 55, 59, 60, 61, 67, 70, 71, 75, 76, 78, 79, 80, 83, 91a, The Municipality of Metropolitan Toronto Act, Section 78, and The Municipal Subsidies Adjustment Act, Section 1)....	1,000,000.00		931,602.15	
April 12, 1967	Planning and Design: Consultants' fees.....	150,000.00		149,934.10	
Mar. 22, 1967	Property Purchases and Related Services: Salaries.....	47,000.00		41,930.95	
April 12, 1967	Travelling expenses.....	35,000.00		26,415.50	
Feb. 15, 1967	Maintenance.....	125,000.00		124,946.75	
Dec. 29, 1966	Property Purchases (The Highway Improvement Act, Secs. 11, 13, 108).....	5,500,000.00		5,498,970.00	
Mar. 22, 1967	Research and Sundry Engineering Services: Salaries.....	111,000.00		104,715.70	
April 12, 1967	Travelling expenses.....	15,000.00		6,831.70	
Dec. 20, 1966	Rental of equipment, soils and foundation investigations and other costs.....	125,000.00		124,799.50	
		11,108,000.00		10,732,432.70	

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Labour		
	Labour Standards Branch:		
Sept. 7, 1966	Payment of Claims re Vacation-with-Pay Stamps:		
Mar. 15, 1967	Order.....\$3,000,000.00		
	Order.....900,000.00		
		3,900,000.00	3,636,511.25
	Department of Lands and Forests		
	Timber Branch:		
Nov. 29, 1966	Construction of logging roads through Crown timber areas—the cost to be recovered as increased stumpage charges on timber sales.....	30,000.00	29,996.51
	Parks Branch—Land Acquisition and Development:		
Mar. 1, 1967	Acquisition of land to provide for parks, recreational areas, public hunting and fishing areas, etc.; construction of buildings and other improvements.....	613,000.00	603,862.87
		643,000.00	633,859.38
	Department of Municipal Affairs		
	Main Office:		
June 28, 1966	Payments and loans with respect to the investigation, design, development and servicing of townsites, etc.....	440,000.00	252,123.01
	Department of Public Works		
	Architectural and Engineering:		
	Salaries:		
Mar. 8, 1966	Order.....\$ 60,000.00		
April 12, 1967	Order.....8,500.00		
		68,500.00	68,141.01
Mar. 15, 1967	Maintenance.....	20,000.00	14,537.93
	Purchasing:		
Mar. 8, 1967	Salaries.....	38,000.00	24,500.71
Jan. 4, 1967	Travelling expenses.....	4,500.00	1,063.83
Nov. 23, 1966	Maintenance.....	4,000.00	2,136.55
	Property and Surveys:		
Mar. 8, 1967	Salaries.....	25,000.00	20,472.23
Jan. 25, 1967	Maintenance.....	10,000.00	9,719.95
	Public Buildings and Services:		
Feb. 1, 1967	To provide for the construction of new buildings and works, purchase of land and buildings, alterations, equipment and extension of services to existing buildings and works, and the purchase of materials for stores and expenses in connection therewith.....	6,750,000.00	5,814,747.79
	Dams, Docks and Locks:		
Jan. 20, 1967	Construction of Dams, Docks and Locks.....	240,000.00	239,499.68
		7,160,000.00	6,194,819.68

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
Jan. 18, 1967	Department of Social and Family Services		
	Capital Disbursements:		
	Rehabilitation Services (The Rehabilitation Services Act—R.S.O. 1960, Chap. 350)	395,000.00	392,637.17
	Total Capital Treasury Board Orders	29,046,000.00	25,885,052.27
	Total Treasury Board Orders	100,919,200.00	91,028,413.58

*Indicates funds used for temporary financing during the fiscal year.

SPECIAL WARRANTS

STATEMENT OF SPECIAL WARRANTS ISSUED DURING THE FISCAL YEAR
ENDED MARCH 31, 1967

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	ORDINARY		
	Department of Agriculture and Food		
Oct. 13, 1966	Payment of a milk subsidy in accordance with the approved program and the administration costs thereof.....	5,000,000.00	4,053,929.00
	Department of Education		
Nov. 3, 1966	Shipping more than a million dollars worth of desks, books and equipment to schools in the Bahamas .	23,000.00	22,322.93
Jan. 19, 1967	Supplementing superannuation and disability pensions to certain recipients of pension benefits under The Teachers' Superannuation Act to the extent that former teachers who receive superannuation and disability pensions under The Teachers' Superannuation Act of less than twelve hundred dollars per annum (\$1,200) will receive payments in the amounts necessary to bring their annual pensions up to twelve hundred dollars, effective January 1, 1967; and dependents of former teachers who receive pensions of less than six hundred dollars per annum (\$600) will receive payments in the amounts necessary to bring their annual pensions up to six hundred dollars, effective January 1, 1967	120,000.00	117,865.08
Jan. 19, 1967	Payment to the Improvement District of Sioux Narrows Separate School Board to prevent closing of the school.....	57,000.00	57,000.00
		200,000.00	197,188.01
	Department of Health		
Dec. 1, 1966	Special grant to Emmanuel Convalescent Foundation to assist the Foundation with the cost of building a residence for the care of persons suffering from addiction to alcohol and other substances.	200,000.00	200,000.00
Dec. 21, 1966	Special grant to Simcoe Hall Crippled Children's Centre, Oshawa, to assist in replacing inadequate treatment and training facilities.	75,000.00	60,000.00
Dec. 21, 1966	Special grant to the Toronto Mental Health Clinic to assist with the construction of accommodation and facilities for the expansion of the Clinic's program .	185,000.00	185,000.00

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Department of Health—Continued		
Dec. 21, 1966	Special grant to Ongwanada Sanatorium, Kingston, to assist with renovations to accommodate severely handicapped mentally retarded patients	59,560.00	45,000.00
Dec. 29, 1966	Special grant to The Salvation Army to assist with the construction of accommodation and facilities required in the expansion of The Salvation Army's program relating to Alcoholism and Drug Addiction as carried out in "Harbour Light" for men and the "Homestead" project for women.	300,000.00	300,000.00
Jan. 12, 1967	Remuneration and necessary expenses of members of a board of review while engaged upon the work of the board.	50,000.00	.....
		869,560.00	790,000.00
	Department of Social and Family Services		
Sept. 8, 1966	Payment to the organization known as the Canadian Indian Centre of Toronto, to assist the said organization in furthering its work with Indian individuals and families who have taken up residence in the Municipality of Metropolitan Toronto	10,000.00	10,000.00
Nov. 10, 1966	Payment to the corporation known as Clifton House for Boys for the purpose of assisting the said corporation in its work of providing residential accommodation for homeless boys who are working or attending school in the Municipality of Metropolitan Toronto.	14,000.00	14,000.00
Jan. 19, 1967	Payment of capital indebtedness presently owing by societies in respect to the acquisition or construction of premises.	124,402.50	124,402.50
Jan. 23, 1967	Payment of necessary costs of acquiring and operating a Children's Institution known as Warrendale	325,000.00	290,258.61
		473,402.50	438,661.11
	Department of Tourism and Information		
Oct. 6, 1966	Grant to the John Graves Simcoe Memorial Foundation, repairs to property, publicity and other expenses previously incurred by the Department	14,000.00	13,801.49
Jan. 19, 1967	Grant to the City of Kingston for a special project to be known as Confederation Park, as a memorial to Sir John A. Macdonald.	100,000.00	100,000.00
		114,000.00	113,801.49

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$ c.	\$ c.
	Treasury Department		
Jan. 12, 1967	Supplementing superannuation and disability pensions to certain recipients of pension benefits under The Public Service Superannuation Act to the extent that former Civil Servants who receive superannuation and disability pensions from the Public Service Superannuation Fund of less than twelve hundred dollars per annum (\$1,200.00) will receive payments in the amounts necessary to bring their annual pensions up to twelve hundred dollars, effective January 1, 1967; and widows and other beneficiaries of former civil servants who receive pensions of less than six hundred dollars per annum (\$600.00) will receive payments in the amounts necessary to bring their annual pensions up to six hundred dollars, effective January 1, 1967	100,000.00	66,666.95
Jan. 23, 1967	Grant to the Henley Aquatic Association for capital purposes in connection with the construction of permanent facilities for the Royal Canadian Henley Regatta.....	75,000.00	75,000.00
Jan. 24, 1967	Grant to Canadian Flood Relief for Italy (Ontario Region).....	50,000.00	50,000.00
		225,000.00	191,666.95
	Department of University Affairs		
Dec. 21, 1966	Providing financial assistance to the Ontario College of Art towards the cost of a building addition.....	551,500.00	215,187.09
Jan. 12, 1967	Grant to the Art Gallery of Ontario for operating costs during fiscal year 1966-67.....	150,000.00	150,000.00
		701,500.00	365,187.09
	Total Special Warrants.....	7,583,462.50	6,150,433.65



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PROVINCIAL AUDITOR'S REPORT (1967-68

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



TORONTO

PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER

1968

PROVINCIAL AUDITOR'S REPORT

1967-68

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO
SESSIONAL PAPER No. 3, 1969



ONTARIO

TORONTO

PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER
1968

TO THE HONOURABLE WILLIAM ROSS MACDONALD, P.C., C.D., Q.C., LL.D.
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

The undersigned has the honour to present to Your Honour the following report for the fiscal year ended March 31st, 1968, in accordance with the requirements of The Audit Act.

Respectfully submitted,

George H. Spence F.C.A.

GEORGE H. SPENCE, F.C.A.
Provincial Auditor

Provincial Auditor's Office,
Toronto, November 29, 1968.

REPORT OF THE PROVINCIAL AUDITOR TO THE
LEGISLATIVE ASSEMBLY OF ONTARIO FOR THE
FISCAL YEAR ENDED MARCH 31st, 1968, IN
ACCORDANCE WITH THE REQUIREMENTS OF
THE AUDIT ACT.

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REPORT OF THE PROVINCIAL AUDITOR

1967 - 1968

I have the honour to report to the Legislative Assembly on the examination and audit of the accounts of the Province of Ontario for the fiscal year ended March 31, 1968, in accordance with the requirements of section 20 of The Audit Act.

I have examined the Statement of Assets and Liabilities of the Province of Ontario as at March 31, 1968, the Statements of Revenue and Expenditure for the year ended on that date and other related statements, and have compared them with the books of account and financial records. I have obtained all the information and explanations I have required.

Subject to the qualifications in this report, and having due regard to the fact that extensive revisions have been made in the presentation of certain statements, in my opinion and according to the best of my information and the explanations given to me and as shown by the books of the Province, these financial statements are properly drawn up so as to present fairly the financial position of the Province as at March 31, 1968 and the results of its operations for the year then ended.

The revisions in statement presentation have been made this year to reflect important changes in the government accounting process as indicated by the Budget Statement of the Treasurer of Ontario delivered to the Legislative Assembly on March 12, 1968 and as shown in other government publications and statements. The Balance Sheet and Surplus Account have been replaced by a Statement of Assets and Liabilities which includes only those assets and liabilities which are deemed to affect Net Debt. The Statement of Consolidated Revenue Fund has been modified to segregate the cash flow into the three categories used to describe government operations, that is, Budgetary, Non-Budgetary and Debt Transactions. The Statements of Ordinary Revenue and Expenditure and Capital Receipts and Disbursements have been replaced by Statements of Net General Revenue and Expenditure and Non-Budgetary Transactions. The Statement of Net General Revenue and Expenditure combines the traditional net ordinary revenue and expenditure and net receipts and disbursements relating to physical assets. The purpose is to include physical asset transactions as part of the budgetary function of government and to recognize that these assets are not acquired to produce revenue through their sale but are a part of the cost of carrying out government programs. The Statement of Non-Budgetary Transactions includes the traditional net capital receipts and disbursements other than physical asset transactions.

A comprehensive explanation of the changes in presentation, together with a reconciliation between the Balance Sheet as at March 31, 1967 and the Statement of Assets and Liabilities to be used effective April 1, 1967, is included in the Public Accounts for 1967-68 on pages 7-17.

BASIS OF ACCOUNTING

The accounts of the Province of Ontario have been kept on a cash basis as in previous years. This system of accounting provides effective control by the Legislature over public moneys. In previous years the Balance Sheet was prepared on a modified accrual basis with the adjustments necessary to give

effect thereto being made through Surplus Account. With the changes in presentation referred to previously, certain assets and liabilities formerly included in the Balance Sheet do not appear in the present Statement of Assets and Liabilities but have been retained as memo records for control purposes.

OPERATIONS FOR 1967-68

The Honourable Charles S. MacNaughton, as Treasurer of Ontario, in his address to the Legislative Assembly of Ontario on February 14, 1967, presented budget forecasts for the fiscal year ended March 31, 1968. In his address to the Legislative Assembly of Ontario on March 12, 1968, he presented interim statements for the same fiscal year showing eight months' actual results plus four months' forecast.

The statements which follow compare the budget forecasts, after including Supplementary Estimates, with the actual results for the year ended March 31, 1968. Comparative summaries of the interim statements (eight months' actual plus four months' forecast) and the actual results are appended to this report together with certain other statements and charts presenting information on the financial operations of the Province as detailed on page 37. In each case the comparative budget and interim statements follow the format presented in the respective Budget Statement.

Differences of one dollar in amounts referred to in various parts of this report may occur as a result of stating all amounts in dollars.

Names of Departments referred to in this report are those in effect as at March 31, 1968. Since that date and prior to the writing of this report the following changes have been made:

Former Name	Date of Change	New Name
Department of Economics and Development	April 11, 1968	Department of Trade and Development
Department of Reform Institutions	July 1, 1968	Department of Correctional Services
Treasury Department	July 23, 1968	Department of Treasury and Economics
—	July 23, 1968	Department of Revenue

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET ORDINARY
REVENUE FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968**

DEPARTMENT	BUDGET NET ORDINARY REVENUE	ACTUAL NET ORDINARY REVENUE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture and Food.....	\$ 1,246,000	\$ 1,931,769	\$ 685,769	\$
Attorney General.....	14,306,000	15,000,506	694,506	
Economics and Development.....	225,000	54,027		170,973
Education.....	5,568,000	6,907,151	1,339,151	
Energy and Resources Management	777,000	933,847	156,847	
Financial and Commercial Affairs..	1,492,000	1,554,505	62,505	
Health.....	3,724,000	9,396,479	5,672,479	
Highways.....	3,948,000	4,232,378	284,378	
Labour.....	2,282,000	3,260,546	978,546	
Lands and Forests.....	27,900,000	28,755,044	855,044	
Mines.....	15,152,000	18,235,127	3,083,127	
Municipal Affairs.....	994,000	820,197		173,803
Prime Minister.....		39	39	
Provincial Secretary and Citizenship	3,736,000	4,014,748	278,748	
Public Works.....	1,500,000	1,462,813		37,187
Reform Institutions.....	909,000	791,821		117,179
Social and Family Services.....	17,922,000	19,428,940	1,506,940	
Tourism and Information.....	1,548,000	1,995,399	447,399	
Transport.....	99,414,000	107,378,513	7,964,513	
Treasury:				
Main Office—Subsidies.....	4,624,000	4,624,070	70	
Interest.....	72,000	72,633	633	
Miscellaneous.....	85,000	27,522		57,478
Ontario Racing Commission....	140,000	170,519	30,519	
Liquor Control Board of Ontario	142,000,000	149,141,973	7,141,973	
Public Utilities Tax.....	1,000,000	1,576,385	576,385	
Water Power Rentals.....	7,000,000	8,154,250	1,154,250	
Post-Secondary Education Pro- gram Equalization Payment..	8,000,000	19,478,992	11,478,992	
Pension Commission of Ontario		77,355	77,355	
Tax Rental Agreement, 1952-56		128,254		128,254
Revenue Division:				
Income Tax Collection Agree- ment.....	533,702,000	551,003,573	17,301,573	
Corporations Tax.....	287,500,000	302,272,738	14,772,738	
Retail Sales Tax.....	412,000,000	435,666,243	23,666,243	
Gasoline Tax.....	279,000,000	283,220,886	4,220,886	
Succession Duty.....	57,000,000	59,637,932	2,637,932	
Share of Federal Estate Tax..	18,842,000	20,628,000	1,786,000	
Tobacco Tax.....	18,500,000	18,983,089	483,089	
Motor Vehicle Fuel Tax, etc..	19,800,000	21,528,384	1,728,384	
Race Tracks Tax.....	14,500,000	15,091,206	591,206	
Hospitals Tax, etc.....	8,500,000	9,526,488	1,026,488	
Land Transfer Tax.....	9,000,000	10,822,506	1,822,506	
Logging Tax.....	2,000,000	1,661,909		338,091
Security Transfer Tax.....	3,500,000	4,834,751	1,334,751	
Total for Treasury.....	\$1,826,765,000	\$1,918,073,150	\$ 91,831,973	\$ 523,823
University Affairs.....		346,589	346,589	
Stationery Account.....		33,051	33,051	
	<u>\$2,029,408,000</u>	<u>\$2,144,606,639</u>	<u>\$116,221,604</u>	<u>\$1,022,965</u>

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968**

DEPARTMENT	BUDGET* NET	ACTUAL NET	ACTUAL TO BUDGET	
	ORDINARY EXPENDITURE	ORDINARY EXPENDITURE	INCREASE	DECREASE
Agriculture and Food.....	\$ 40,070,000	\$ 36,401,569	\$	\$ 3,668,431
Attorney General.....	52,996,000	64,192,712	11,196,712	
Civil Service.....	1,780,000	1,692,420		87,580
Economics and Development**..	10,879,000	12,015,669	1,136,669	
Education.....	652,840,000	695,729,068	42,889,068	
Energy and Resources Management	11,741,900	11,868,777	126,877	
Financial and Commercial Affairs	2,563,000	2,691,621	128,621	
Health.....	319,253,000	314,235,937		5,017,063
Highways.....	124,128,000	125,600,093	1,472,093	
Labour.....	12,186,000	9,810,915		2,375,085
Lands and Forests.....	41,550,000	42,807,111	1,257,111	
Lieutenant Governor.....	37,000	33,143		3,857
Mines.....	3,346,000	3,433,313	87,313	
Municipal Affairs.....	69,014,000	65,941,845		3,072,155
Prime Minister.....	291,000	299,995	8,995	
Provincial Auditor.....	703,000	754,667	51,667	
Provincial Secretary and Citizenship	6,187,000	6,615,376	428,376	
Public Works.....	19,110,000	20,761,283	1,651,283	
Reform Institutions.....	27,028,000	28,311,615	1,283,615	
Social and Family Services.....	107,121,000	103,351,652		3,769,348
Tourism and Information.....	11,027,000	11,532,489	505,489	
Transport.....	10,361,000	10,623,456	262,456	
Treasury**.....	39,125,000	44,108,023	4,983,023	
University Affairs.....	206,562,000	211,644,649	5,082,649	
	<u>\$1,769,898,900</u>	<u>\$1,824,457,398</u>	<u>\$72,552,017</u>	<u>\$17,993,519</u>
Debt Transactions:				
Interest, etc.....	73,787,000	64,162,686		9,624,314
Provision for Sinking Fund....	43,000,000	43,000,000		
	<u>\$1,886,685,900</u>	<u>\$1,931,620,084</u>	<u>\$72,552,017</u>	<u>\$27,617,833</u>
Capital Disbursements Financed out of Ordinary Revenue.....	151,000,000	212,000,000	61,000,000	
	<u>\$2,037,685,900</u>	<u>\$2,143,620,084</u>	<u>\$133,552,017</u>	<u>\$27,617,833</u>

*Includes Supplementary Estimates.

**Office of Chief Economist transferred to Treasury Department.

**COMPARATIVE SUMMARY
BUDGET AND ACTUAL NET ORDINARY REVENUE AND NET ORDINARY
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968**

	BUDGET*	ACTUAL	ACTUAL TO BUDGET
Net Ordinary Revenue.....	\$2,029,408,000	\$2,144,606,639	\$115,198,639
Less: Net Ordinary Expenditure (before items below).....	\$1,843,685,900	\$1,888,620,084	\$ 44,934,184
Provision for Sinking Fund.....	43,000,000	43,000,000	
Capital Disbursements financed out of Ordinary Revenue.....	151,000,000	212,000,000	61,000,000
Net Ordinary Expenditure.....	<u>\$2,037,685,900</u>	<u>\$2,143,620,084</u>	<u>\$105,934,184</u>
Surplus.....	<u>\$ 8,277,900</u>	<u>\$ 986,555</u>	<u>\$ 9,264,455</u>

*Includes Supplementary Estimates.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET CAPITAL RECEIPTS
FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968**

DEPARTMENT	BUDGET NET CAPITAL RECEIPTS	ACTUAL NET CAPITAL RECEIPTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Education:				
Provincial Student-Aid Loans.....	\$ 1,800,000	\$ 1,053,703	\$	\$ 746,297
Energy and Resources Management:				
Abandoned Works Fund—Fees.....		880	880	
Contract Security Deposits.....		9,500	9,500	
Conservation Authorities—				
Recovery of Grants.....		113,566	113,566	
Miscellaneous.....		175	175	
Health:				
Ontario Medical Services Insurance Plan.....	2,000,000			2,000,000
Health Insurance Registration Board.		4,814,477	4,814,477	
Highways:				
Sale of Land and Buildings.....	300,000	301,278	1,278	
Contract Security Deposits.....		105,908	105,908	
Miscellaneous.....	40,000	60,621	20,621	
Labour:				
Vacation-with-Pay Stamps.....	9,500,000	13,020,443	3,520,443	
Contract Security Deposits.....		300	300	
Lands and Forests:				
Sale of Land.....	850,000	778,884		71,116
Logging Roads.....		207,006	207,006	
Government of Canada—				
Federal-Provincial Rural Develop- ment Agreement.....		239,410	239,410	
Mines:				
Sale of Mining Lands.....		11,930	11,930	
Municipal Affairs:				
The Municipal Works Assistance Act, 1963—				
Government of Canada—				
Forgiveness.....	12,500,000	10,766,855		1,733,145
Forgiveness—Prepayment....		9,152	9,152	
Townsite Sales.....	100,000			100,000
Contract Security Deposits.....		100	100	
Public Works:				
Sale of Land and Buildings.....		655,273	655,273	
Sale of Materials.....		9,967	9,967	
Contract Security Deposits.....		505	505	
Transport:				
Motor Vehicle Accident Claims Fund.	9,400,000	8,395,523		1,004,477
Treasury:				
Appropriation from Ordinary Account—				
Provision for Sinking Fund.....	43,000,000	43,000,000		
Loans and Advances.....	22,737,000	26,410,383	3,673,383	
Special Funds—				
Public Service Superannuation Fund	45,800,000	51,741,078	5,941,078	
Ontario Municipal Employees Retirement Fund.....	4,950,000	6,600,000	1,650,000	
Other.....	681,000	1,979,963	1,298,963	
Discount and Exchange on				
Debentures.....	1,729,000			1,729,000
Other.....		78,231	78,231	
	<u>\$155,387,000</u>	<u>\$170,365,111</u>	<u>\$22,362,146</u>	<u>\$ 7,384,035</u>

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET CAPITAL
DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968**

DEPARTMENT	BUDGET NET CAPITAL DISBURSE- MENTS	ACTUAL NET CAPITAL DISBURSE- MENTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Agriculture and Food:				
The Co-operative Loans Act—Loans	\$ 400,000	\$ 182,000	\$	\$ 218,000
Economics and Development:				
Advances—				
Ontario Housing Corporation . . .	16,000,000	31,724,884	15,724,884	
Ontario Student Housing Cor- poration	6,000,000	2,683,892		3,316,108
The Sheridan Park Corporation . .		375,000	375,000	
Energy and Resources Management:				
Bonus for Rural Primary and Second- ary Lines	750,000	1,030,704	280,704	
Province's share of the costs of land development, engineering, flood control programs of the Conser- vation Authorities	9,000,000	5,312,019		3,687,981
The Hydro-Electric Power Commis- sion of Ontario—				
Province's share of the costs of con- struction and installation—				
Nuclear Powered Generating Station	7,500,000	7,497,534		2,466
Ontario Water Resources Commis- sion—				
Construction and Installation—				
Municipal Projects	7,000,000	2,576,000		4,424,000
Provincial Projects	58,000,000	11,493,655		46,506,345
Water Management Program	5,800,000	1,081,892		4,718,108
Health:				
Ontario Hospital Services Commis- sion—				
Loans for Hospital Construction . .	4,339,000	4,064,000		275,000
Capital Financial Assistance	17,750,000	17,744,431		5,569
Highways:				
Highway Construction	139,650,000	146,056,718	6,406,718	
Development and Other Roads	20,500,000	20,365,099		134,901
Municipal Subsidies	79,000,000	77,352,803		1,647,197
Sundry Projects	2,090,000	1,978,050		111,950
Planning and Design	13,253,000	14,830,784	1,577,784	
Property Purchases, etc.	20,518,000	26,703,291	6,185,291	
Research and Sundry Engineering Services	5,022,000	5,054,386	32,386	
GO Transit	1,600,000	5,085,048	3,485,048	
Labour: Vacation-with-Pay Stamps . .	9,500,000	14,195,690	4,695,690	
Lands and Forests:				
Summer Resort Access Roads	150,000	148,995		1,005
Logging and Forest Access Roads . .	1,400,000	1,344,132		55,868
Parks—Acquisition of Land, Con- struction of Buildings, etc.	5,000,000	6,513,628	1,513,628	
Mines: Mining and Access Roads . . .	1,000,000	379,051		620,949
Municipal Affairs:				
Loans, Grants, etc. to Townsites . . .	2,044,000	3,966,539	1,922,539	
Loans to Municipalities	450,000	400,000		50,000
Loans under The Municipal Works Assistance Act, 1963	37,500,000	34,205,214		3,294,786
Forgiveness under The Municipal Works Assistance Act, 1963	12,500,000	10,868,129		1,631,871
The Municipal and School Tax Cred- it Assistance Act, 1967		362,759	362,759	
Public Works:				
Real Estate	2,564,000	5,758,296	3,194,296	
Purchasing	582,000	533,005		48,995
Architectural and Engineering—				
Public Buildings and Services	48,907,000	44,570,936		4,336,064

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET CAPITAL
DISBURSEMENTS FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968
(Continued)**

DEPARTMENT	BUDGET NET CAPITAL DISBURSE- MENTS	ACTUAL NET CAPITAL DISBURSE- MENTS	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Transport:				
Motor Vehicle Accident Claims				
Fund.....	\$ 5,286,000	\$ 6,451,248	\$ 1,165,248	\$
Treasury:				
Loans and Advances—				
Ontario Development Corporation	7,000,000	145,000		6,855,000
The Ontario Education Capital				
Aid Corporation.....	150,000,000	167,555,000	17,555,000	
The Ontario Junior Farmer Estab-				
lishment Loan Corporation....	20,400,000	19,700,000		700,000
The Ontario Municipal Improve-				
ment Corporation.....	7,836,000	8,525,000	689,000	
The Ontario Universities Capital				
Aid Corporation.....	185,000,000	106,308,800		78,691,200
Tile Drainage Debentures.....	2,180,000	2,564,714	384,714	
The Hydro-Electric Power Com-				
mission of Ontario.....		125,150,000	125,150,000	
Ontario Northland Transportation				
Commission.....		700,000	700,000	
The Crop Insurance Commission				
of Ontario.....		134,000	134,000	
Liquor Control Board of Ontario.		41,973	41,973	
Special Funds, etc.—				
Public Service Superannuation				
Fund.....	18,575,000	17,529,837		1,045,163
Legislative Assembly Retirement				
Allowances Account.....	75,000	126,056	51,056	
Ontario Municipal Employees				
Retirement Fund.....	5,700,000	5,175,000		525,000
Ontario Hospital Services Com-				
mission—Special Account.....	13,000,000	12,000,000		1,000,000
Queen Elizabeth II Ontario				
Scholarship Fund (Income				
Account).....	25,000	25,000		
Registry Offices—Surplus Fees...	300,000	460,745	160,745	
Refunds of Capital Receipts of				
prior years.....	200,000	178,541		21,459
Ontario Medical Services Insur-				
ance Plan—Prepaid Premiums .		2,283,924	2,283,924	
Department of Education—				
Special Account.....		1,363,557	1,363,557	
The Municipal Works Assistance				
Act, 1963.....		525,730	525,730	
Other.....		77,144	77,144	
	<u>\$951,346,000</u>	<u>\$983,459,833</u>	<u>\$196,038,818</u>	<u>\$163,924,985</u>
Less: Financed out of Ordinary Revenue	151,000,000	212,000,000	61,000,000	
	<u><u>\$800,346,000</u></u>	<u><u>\$771,459,833</u></u>	<u><u>\$135,038,818</u></u>	<u><u>\$163,924,985</u></u>

The estimated gross expenditure for the year, as shown on page 5 of the Estimates for the fiscal year ending March 31, 1968, was \$3,084,115,000. In addition to this amount Supplementary Estimates of \$8,749,900 were voted by the Legislature in March 1968, bringing the total estimated gross expenditure to \$3,092,864,900 for the year. The actual gross expenditure was \$3,172,378,236, an increase of \$79,513,336 over the estimated amount.

In the Budget Statement presented by the Treasurer of Ontario on February 14, 1967, it was estimated that capital disbursements of \$151,000,000 would be financed out of ordinary revenue. With the introduction of the Statement of Net General Revenue and Expenditure in the Public Accounts this year the determination of the actual amount so financed was unnecessary. However, for the purpose of comparison with the Budget, \$212,000,000 of ordinary revenue has been allocated to the acquisition of physical assets.

The following statement summarizes the increases or decreases in actual gross expenditure relative to the total estimated gross expenditure.

**COMPARATIVE STATEMENT OF TOTAL ESTIMATES AND ACTUAL GROSS
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968**

CLASSIFICATION	TOTAL ESTIMATES GROSS	ACTUAL GROSS	ACTUAL TO ESTIMATES	
			INCREASE	DECREASE
Ordinary—				
Voted—				
Main Estimates.....	\$1,897,966,500			
Supplementary Estimates	8,749,900			
	<u>\$1,906,716,400</u>	<u>\$1,933,072,619</u>	<u>\$ 26,356,219</u>	
Statutory.....	234,802,500	252,087,652	17,285,152	
Special Warrants.....		3,640,322	3,640,322	
Capital Disbursements financed out of Ordinary Revenue..	151,000,000	212,000,000	61,000,000	
	<u>\$2,292,518,900</u>	<u>\$2,400,800,593</u>	<u>\$108,281,693</u>	
Capital—				
Voted—				
Main Estimates.....	\$ 485,019,000	\$ 459,714,568		\$25,304,432
Statutory.....	466,327,000	523,863,075	\$ 57,536,075	
	<u>\$ 951,346,000</u>	<u>\$ 983,577,643</u>	<u>\$ 57,536,075</u>	<u>\$25,304,432</u>
Deduct—				
Capital Disbursements financed out of Ordinary Revenue.....	151,000,000	212,000,000	61,000,000	
	<u>\$ 800,346,000</u>	<u>\$ 771,577,643</u>	<u>\$ 3,463,925</u>	<u>\$25,304,432</u>
	<u><u>\$3,092,864,900</u></u>	<u><u>\$3,172,378,236</u></u>	<u><u>\$104,817,768</u></u>	<u><u>\$25,304,432</u></u>

**Summary of Net Increases in Actual Gross as Compared
with Total Estimates of Gross Expenditure**

CLASSIFICATION	
Voted.....	\$ 1,051,787
Statutory.....	74,821,227
Special Warrants.....	3,640,322
	<u><u>\$79,513,336</u></u>

The net increases in actual gross as compared with total estimates of gross expenditure are commented on under the classification of voted, statutory and special warrants as follows:

VOTED

Expenditure appropriations authorized by the Legislative Assembly and actual gross expenditures are summarized below:

	AUTHORIZED	ACTUAL	ACTUAL OVER AUTHORIZED
Ordinary Account	\$1,906,716,400	\$1,933,072,619	\$26,356,219
Capital Account	485,019,000	459,714,568	25,304,432
	<u>\$2,391,735,400</u>	<u>\$2,392,787,187</u>	<u>\$ 1,051,787</u>

The principal items accounting for the net over-expenditures were:

	OVER	UNDER
General Legislative Grants	\$34,699,196	
Federal-Provincial Agreements—education	22,215,615	
Advances for projects under The Ontario Housing Corporation Act, 1964	15,724,884	
Grants for operating costs—Universities and Colleges	9,399,602	
Grants to Colleges of Applied Arts and Technology	8,481,000	
Construction of King's Highways and Secondary Highways	6,406,718	
Construction of projects by the Ontario Water Resources Commission		\$50,930,345
Payments authorized under The Medical Insurance Services Act, 1965		21,641,292
Assistance in accordance with The Family Benefits Act, 1966		7,277,896
Grant to Ryerson Polytechnical Institute		6,461,000
Provision for university facilities re Health Science Projects		6,104,000

In all cases where the actual expenditure exceeded the original appropriation, the necessary authority was obtained by treasury board order before the accounts were approved for payment.

Treasury board orders authorized and the expenditures relating thereto, shown in detail on pages 49–65 of this report, are summarized as follows:

	AUTHORIZED	EXPENDED	EXCESS OF AUTHORIZED OVER EXPENDED
Ordinary Account	\$151,964,800	\$125,184,824	\$26,779,976
Capital Account	52,140,000	44,559,849	7,580,151
	<u>\$204,104,800</u>	<u>\$169,744,673</u>	<u>\$34,360,127</u>

Treasury Board orders totalling \$547,000 used for temporary financing form part of the \$34,360,127. The expenditures of \$169,744,673 form part of the total gross expenditure of \$2,392,787,187 referred to above and are not in addition thereto. The main items accounting for the expenditure of \$169,744,673 were Grants \$55,105,499, Project Costs \$22,515,920, Salaries \$16,391,890, Various Educational Programs \$14,615,993 and Subsidies, Loans, etc. \$12,891,682.

The amounts expended under treasury board orders have increased, in total and as a percentage of actual gross expenditures, during the past six years as shown by the following analysis:

YEAR ENDED	ACTUAL GROSS EXPENDITURES	EXPENDITURES UNDER TREASURY BOARD ORDERS	PERCENTAGE OF TREASURY BOARD ORDERS TO ACTUAL GROSS
March 31, 1963.....	\$1,040,514,278	\$ 10,696,506	1.03
1964.....	1,103,961,381	25,661,364	2.32
1965.....	1,223,911,826	35,094,478	2.87
1966.....	1,424,377,648	46,326,577	3.25
1967.....	1,820,311,264	91,028,413	5.00
1968.....	2,392,787,187	169,744,673	7.09

It can be seen from the above analysis that, by the fiscal year ended March 31, 1968, \$169,744,673 or approximately 7% of actual gross expenditures under the classification of voted were approved by the Treasury Board to supplement amounts previously presented to the Legislative Assembly in the Budget.

It will be noted from the amounts shown in the statement of gross expenditure that the Voted Actual Gross Expenditure (which includes expenditures under treasury board orders) is more than the total of the related gross estimates. The same situation exists with respect to Total Net Ordinary and Capital Voted Expenditure, the only time in the past ten years, as shown in graphic form on pages 42-43 of this report.

STATUTORY

The Estimates for statutory gross expenditure and the actual statutory gross expenditure, excluding capital debt transactions, are summarized as follows:

	ESTIMATES	ACTUAL	ACTUAL OVER ESTIMATES
Ordinary Account...	\$234,802,500	\$252,087,652	\$17,285,152
Capital Account.....	466,327,000	523,863,075	57,536,075
	<u>\$701,129,500</u>	<u>\$775,950,727</u>	<u>\$74,821,227</u>

The main items accounting for the excess of \$74,821,227 were:

	OVER	UNDER
Loans and Advances—		
The Hydro-Electric Power Commission of Ontario.....	\$125,150,000	
The Ontario Education Capital Aid Corporation.....	17,555,000	
The Ontario Universities Capital Aid Corporation.....		\$78,691,200
Ontario Development Corporation.....		6,855,000
The Municipal Works Assistance Act, 1963.....		4,926,657
Other (net).....	1,207,714	
Expenses of Elections.....	4,344,997	
Contributions and Interest—Teachers' Superannuation Fund....	4,312,151	
Debt Transactions—Interest, etc.....	3,806,479	
Health Insurance Registration Board.....	2,527,806	
Contributions to the Public Service Superannuation Fund.....	2,372,231	
Special Funds—Ontario Medical Services Insurance Plan.....	2,283,924	

SPECIAL WARRANTS

During the year expenditures in the amount of \$3,640,322 were made under Special Warrants as authorized under subsection 1, section 29 of The Financial Administration Act.

Details of Special Warrants will be found on pages 66-67 of this report.

PRINCIPAL ITEMS OF NET GENERAL REVENUE AND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1968

An analysis of net general revenue and expenditure for the fiscal year ended March 31, 1968 showing the percentage of each item to the total, classified by major categories, is presented in the following statements:

NET GENERAL REVENUE

		%
Income Tax.....	\$ 551,003,573	25.67
Retail Sales Tax.....	435,666,243	20.29
Corporations Tax.....	302,272,738	14.08
Gasoline Tax.....	283,220,886	13.19
Liquor Profits, Gallonage Fees, etc.....	149,141,973	6.95
Motor Vehicle Permits and Licenses, Fees, etc.....	107,378,513	5.00
Succession Duty.....	59,637,932	2.78
Motor Vehicle Fuel Tax.....	21,526,737	1.00
Share of Federal Estate Tax.....	20,628,000	.96
Post-Secondary Education Program Equalization Payment.....	19,478,992	.91
Tobacco Tax.....	18,983,089	.88
Canada Assistance Plan Payment.....	18,498,824	.86
Mines Profits Tax.....	16,105,638	.75
Race Tracks Tax.....	15,091,206	.71
Timber—Stumpage Charges.....	14,983,457	.70
Administration of Justice—Fees, Fines, etc.....	12,053,347	.56
Land Transfer Tax.....	10,822,506	.50
Hospitals Tax.....	9,524,481	.44
Water Power Rentals.....	8,154,251	.38
Fish and Wildlife Licenses, Royalties, etc.....	6,891,016	.32
Other Revenue.....	63,543,237	2.96
	<hr/>	
Sale of Physical Assets.....	\$2,144,606,639	99.89
	2,264,544	.11
	<hr/>	
	\$2,146,871,183	100.00
	<hr/>	

NET GENERAL EXPENDITURE

		%
Education—		
Department of Education.....	\$695,729,068	
Department of University Affairs.....	211,644,649	
	<hr/>	
	\$907,373,717	39.51
Health Services.....	314,235,937	13.68
Highways and Roads—Maintenance, Grants, etc.....	125,600,093	5.47
Debt Transactions—		
Interest, etc.....	\$ 64,162,686	
Provision for Sinking Fund.....	43,000,000	
	<hr/>	
	107,162,686	4.67
Social and Family Services.....	103,351,652	4.50
Grants to Municipalities, etc.....	65,941,845	2.87
Law Enforcement, Administration of Justice, etc.....	64,192,712	2.80
Conservation of Forests, Fish and Wildlife.....	42,807,111	1.86
Agricultural Services, Grants, etc.....	36,401,569	1.59
Reform Institutions.....	28,311,615	1.23
Employee Pensions, Insurance Plans, etc.....	30,319,594	1.32
Public Buildings—Maintenance and Repairs.....	20,761,283	.90
Economic and Development Programs.....	12,015,669	.52
Other Expenditure.....	73,144,601	3.19
	<hr/>	
	\$1,931,620,084	84.11
Cost of Physical Assets.....	364,999,151	15.89
	<hr/>	
	\$2,296,619,235	100.00
	<hr/>	

A graphic presentation of the four major items of net general revenue and net general expenditure, shown on pages 38-41 of this report, compares these items for the five years ended March 31, 1968.

GENERAL

The total net general revenue of the Province for the year ended March 31, 1968, other than receipts from the sale of physical assets of \$2,264,544, was \$2,144,606,639, an increase of \$345,139,308 over that for the year ended March 31, 1967. The total net general expenditure, excluding the cost of physical assets of \$364,999,151, was \$1,931,620,084, an increase of \$442,498,903 over the corresponding amount of the previous year.

I refer hereunder to some of the larger items of revenue and expenditure and other matters relating to the operations for the year ended March 31, 1968.

Individual income tax, retail sales tax, corporations tax, gasoline tax, liquor control revenues, motor vehicle licenses and fees, and succession duty continue to be the main sources of net general revenue, providing \$1,888,321,858 or approximately 88% of the total net general revenue of the Province. This is \$276,237,464 more than the amount collected from the same seven sources in the previous year. The balance of net general revenue of \$256,284,781 is the total from all other sources. These other sources, although producing smaller individual amounts than those mentioned above, represent important operations of the Province.

The main items of net general expenditure, excluding the cost of physical assets of \$364,999,151, were the costs of education, health services, highways and roads—maintenance, grants, etc., debt transactions including provision for sinking fund, and social and family services. The expenditure for these items was \$1,557,724,085 or approximately 68% of the total net general expenditure for the year. This is an increase of \$373,586,044 over the cost of the same items for the preceding year. The balance of net general expenditure of \$373,895,999 was the cost of all other operations for the year under review. The items making up this balance, although not as large as those mentioned above, continue to occupy a vital place in the overall program of the Province.

During the year \$551,003,573 was received under The Income Tax Act, 1961-62, an increase of \$157,166,946 over the amount received in the previous year. This large increase results from continued economic growth and the additional participation from 24% to 28% of individual income tax made available to the Province by the Government of Canada.

Under the new arrangement whereby the additional 4% of personal income tax referred to above and an additional 1% of corporation income tax was made available to the Province, the Government of Canada withdrew from a direct role in university financing and will phase out its capital assistance under the Technical and Vocational Training Agreement. In return, the Government of Canada agreed to share the operating costs for post-secondary education. This share, referred to as Post-Secondary Education Program Equalization Payment, amounted to \$19,478,992 for the fiscal year ended March 31, 1968.

Education continues to be the most costly service provided by the Province. Expenditures by the Department of Education and the Department of University Affairs amounted to \$907,373,717 or 39.51% of the total net general

expenditure for the year. This is an increase of \$247,259,140 over the expenditures for the previous year. In addition, the Province advanced capital funds to The Ontario Universities Capital Aid Corporation in the amount of \$106,308,800 and to The Ontario Education Capital Aid Corporation in the amount of \$167,555,000. These advances were made to enable these corporations to invest in debentures issued for educational purposes by colleges, universities and municipalities.

Net general expenditure on health services by the Department of Health totalled \$314,235,937 for the year, an increase of \$100,994,422 over the previous year. The main areas of expenditure were Ontario Hospital Services Commission \$134,164,518, Hospital Schools and Mental Hospitals \$95,797,204, and Medical Services Insurance Division (O.M.S.I.P.) \$31,137,340. In addition, capital funds were advanced for hospital construction and assistance in the amount of \$21,808,431.

The Department of Social and Family Services expended a net amount of \$103,351,652 during the year on its various programs. This is an increase of \$12,479,117 over the amount expended in the previous year.

The Province contributed \$32,400,151 to the Teachers' Superannuation Fund in accordance with sections 23 and 24 of The Teachers' Superannuation Act and \$14,944,231 to the Public Service Superannuation Fund in accordance with section 8 of The Public Service Superannuation Act. In addition, payments were made to prevent any increase in the unfunded liability of each Fund as required by section 2 (12) of Ontario Regulation 103/66 under The Pension Benefits Act, 1965. The payments made were \$14,889,000 to the Teachers' Superannuation Fund and \$4,131,000 to the Public Service Superannuation Fund on the estimated unfunded liability at January 1, 1965 of \$330,861,000 and \$82,616,000 respectively.

The reports on the review of each Fund required by section 4 (1) of the above Regulation had not been received at the time of preparation of this report. Any experience deficiency revealed by these reviews must be liquidated by special payments over a term not exceeding five years.

Disbursements for investment in physical assets were made during the year as follows:

Highways and Roads:		
Highways, etc.	\$292,341,131	
Mining, Access and Logging Roads.	1,872,178	
		\$294,213,309
Land and Buildings.		47,916,803
General Works and Improvements:		
Conservation Projects, etc.	\$ 5,802,165	
GO Transit	5,085,048	
Special Projects re Townsites.	3,488,339	
Dams, Docks and Locks.	949,155	
		15,324,707
Provincial Parks.		6,513,628
Rural Power Transmission Lines.		1,030,704
		<u>\$364,999,151</u>

The Department of Highways disbursed \$292,341,131 on King's Highways, Development Roads, Municipal Subsidies, etc., an increase of \$26,942,950 over the disbursements of the previous year. In addition, net general expenditure of the Department of Highways for maintenance of highways and roads and other operating expenses amounted to \$125,600,093.

The Department of Lands and Forests disbursed \$1,493,127 on logging and access roads and the Department of Mines disbursed \$379,051 on mining and access roads.

Disbursements for land and buildings and for general works and improvements were \$47,916,803 and \$15,324,707 respectively, a total of \$63,241,510 for the year. This is an increase of \$1,514,779 over the total of the previous year.

The Department of Lands and Forests disbursed \$6,513,628 for the acquisition of land for, and the development of, parks and recreational areas.

A bonus of \$1,030,704 for rural primary and secondary lines, under authority of The Rural Hydro-Electric Distribution Act, was paid during the year, an increase of \$600,315 over the previous year.

During the year a repayment of \$128,254 was made to the Government of Canada under the terms of the Canada-Ontario Tax Rental Agreement, 1952-56. This amount represents the excess of actual over estimated succession duty credits, with interest thereon, allowed by the Federal Department of National Revenue during the year ended March 31, 1967 in connection with estates of persons who died during the five-year period from April 1, 1952 to March 31, 1957.

The Standing Committee on Public Accounts, during the last Session of the Legislative Assembly, examined the 1966-67 Public Accounts as follows:

1. Department of Attorney General.
2. Department of Agriculture and Food.
3. Department of Civil Service.
4. Department of Economics and Development.

I was present or represented at all the meetings except those during which the Committee drafted its report. The report of the Committee was tabled in the House July 18, 1968.

AUDIT OF REVENUE

A continuous post audit of the revenues of the Province is being maintained. Systematic examinations of the revenue records and related data of various Departments have been made during the year in accordance with generally accepted auditing standards applicable in the circumstances.

The Departments are directly responsible for the accuracy of revenue records, the efficiency of systems in operation, and the speed with which billings and assessments are made and collections effected. While, as Auditor, I am

concerned with these factors, my prime interest is to examine the accounting systems and internal controls that are being maintained, and the extent of the internal audit function, if any, that is being performed in those areas. The information obtained as a result of these examinations is most important in determining the reliability of the accounting process and, subject to the qualifications made below, enables me to be of the opinion that a proper accounting is being made of the revenues of the Province.

Reports on the various audits and examinations performed during the year have been submitted to the Ministers of the Departments concerned, and to the officials of Boards and Commissions where applicable. Recommendations and suggestions have been made, where necessary, for the improvement in internal controls and in general efficiency of the accounting process. In all cases these recommendations and comments are followed up at subsequent visits to determine if the necessary corrective action has been taken. Any matter of sufficient importance that has not been dealt with within a reasonable time is the subject of comment in this Report.

The qualifications referred to above concern recommendations made in previous reports that had not been acted upon at the time of the most recent examination of the related accounts and to other matters relating to the revenue of the Province as follows:

1. Several reports on the audit and examination of the Department of Agriculture and Food made recommendations for the establishment of a central control in the Accounts Office for incoming mail and receipts and for licenses and certificates issued.
2. The report on the audit and examination of the Department of Health dated February 9, 1968 repeated certain recommendations which are considered necessary for effective internal control of incoming mail and receipts, more aggressive collection policy regarding accounts receivable, improvement in the accounting records of certain branches or divisions and perpetual inventory records for equipment at the various laboratories.

The examination of the records indicated that it was still the general policy not to bill municipalities north of Highway No. 17 for recovery of costs and expenses as provided for under section 72 (1) of The Mental Hospitals Act. It was again drawn to the attention of the Department that this policy, which gives special treatment to certain municipalities, should be discontinued until authorized by Regulation under the Act.

Industrial Therapy operations of some Ontario Hospitals of the Department of Health have increased to the point where current cash and accounting procedures do not provide adequate internal control over these activities. Comments and recommendations have been made in the reports on several of these institutions. In particular, the report on the audit of The Ontario Hospital, London, dated December 29, 1967, contained several observations on the inadequacy of the control over cash, sales and purchases and made seven specific recommendations that would provide minimum control over these operations.

The substantial balances accumulated in the Canteen Surplus Accounts, in some cases over \$10,000, and to some extent in the Patients' Pin Money Interest Accounts and Sundry Donations Accounts, also have been the subject of comment from time to time in the reports on some of these institutions. It is felt that plans should be formulated for the utilization of these balances or that they should be transferred to the Consolidated Revenue Fund. A major factor contributing to the Canteen Surplus is that no charge is made by the Province against operations for canteen staff salaries and for use of space and facilities.

3. The report on the audit of the Department of Transport dated December 22, 1967 made reference to a number of recommendations or observations contained in the previous report which had not been dealt with at the time of this examination of the accounts. These comments, which pertain to cash and revenue control, practices not authorized by Regulation and/or practices not in accordance with existing Regulations, etc., should be dealt with by officials of the Department to ensure that a proper accounting of the revenue is being made.
4. The Treasury Department purchased about 10,000 sets of the Report of the Ontario Committee on Taxation at a cost of \$91,271. Arrangements were made with the Queen's Printer to sell these Reports at a price of \$15 per set. At March 31, 1968, approximately 7,000 sets were still on hand. It is doubtful if these will be disposed of as demand for this report has not been as great as anticipated.

AUDIT OF EXPENDITURE

In accordance with the provisions of The Audit Act, a continuous examination has been made of the accounts of expenditure of public moneys out of the Consolidated Revenue Fund, whether held in trust or otherwise.

Under authority granted to the Provincial Auditor in section 9 (3) of The Audit Act, certain expenditure vouchers were admitted as satisfactory after determining that they had been examined and certified correct by the Departments concerned and having regard to the character of the Departmental examination.

Under the provisions of The Audit Act, no payment for expenditures from the Consolidated Revenue Fund can be made until the Provincial Auditor has satisfied himself that there is legislative authority for the payment, that there is a legislative appropriation sufficient to cover the proposed expenditure and that the payment is proper in all other respects.

It has been the practice to process certain payments for expenditures from the Consolidated Revenue Fund under authority of the following Motion passed by the Legislature pending the passing of the Supply Bill for the ensuing year:

"That the Provincial Auditor be authorized to pay the salaries of the Civil Service and other necessary payments pending the voting of Supply for the fiscal year commencing April 1, 19... , such payments to be charged to the proper appropriation following the voting of Supply."

A review of the Statutes of Ontario reveals the following dates upon which The Supply Act received Royal Assent:

Statutory Authority	Date of Royal Assent	
The Supply Act, 1968	July	23, 1968
The Supply Act, 1967	June	15, 1967
The Supply Act, 1966	July	8, 1966
The Supply Act, 1965	June	22, 1965
The Supply Act, 1964	May	8, 1964
The Supply Act, 1962-63	April	26, 1963
The Supply Act, 1961-62	April	18, 1962
The Supply Act, 1960-61	March	29, 1961
The Supply Act, 1960	April	12, 1960
The Supply Act, 1959	March	26, 1959
The Supply Act, 1958	March	27, 1958

The above table indicates that in recent years several months' expenditures have been processed prior to the passing of The Supply Bill. Due to this situation I feel that the present procedure for granting authority by a Motion of the Legislature requires review to clarify the nature and extent of the payments to be made under this authority.

The Department of University Affairs Act contains no provision prescribing requirements for the payment of student awards, grants to universities and colleges for operating costs, etc., nor does it provide for making Regulations thereunder. As a result there is no legislation establishing the procedures, terms and conditions in connection with expenditures of this nature made by the Department of University Affairs. I again respectfully recommend, as in my report for 1965-66 and which was agreed to in the report of the Standing Committee on Public Accounts dated June 13, 1967, that consideration be given to making the necessary amendment to The Department of University Affairs Act.

During the year 93,900 requisitions for payment were received for pre-audit and 6,636 of these were returned for various reasons, including errors in the amount payable, for the necessary corrective action. Closely related to the pre-audit of expenditures is the checking of claims under Federal-Provincial shared cost agreements. A summary of changes in amounts of \$500 or over resulting from these examinations, and from revenue audits mentioned previously, is as follows:

	INCREASE	DECREASE
Expenditure Requisitions.....	\$ 76,170	\$462,318
Claims.....	198,976	76,000
Revenue Audits.....	4,658	3,864

Requisitions and journal entries in the amount of \$326,327 were returned to Departments due to insufficient funds in the respective appropriations. This indicates that, in some cases, requisitions for payment and journal entries are prepared, approved by Departmental officials and forwarded for examination without knowledge of the adequacy of the unexpended balance in the appropriation involved.

The following is a summary, by Departments, of requisitions and journal entries returned due to insufficient funds in the appropriation:

DEPARTMENT	No.	AMOUNT
Attorney General.....	13	\$ 42,534
Civil Service.....	2	12,018
Economics and Development.....	28	77,632
Education.....	9	50,711
Energy and Resources Management.....	4	1,630
Financial and Commercial Affairs.....	3	14,119
Health.....	12	104,010
Labour.....	2	12,437
Lands and Forests.....	4	1,984
Municipal Affairs.....	13	9,194
Tourism and Information.....	2	58
	<u>92</u>	<u>\$326,327</u>

The above amounts have either been processed for payment upon receipt of additional funds through recoveries or treasury board orders or have been held by the Departments for payment from their 1968-69 appropriations.

Subsequent to the closing of the Province's bank accounts for the fiscal year 1967-68, it was drawn to my attention that a Treasurer of Ontario cheque in the amount of \$1,000,000, drawn on a Department of Education requisition dated March 22, 1968, was being retained by the Treasury Department pending confirmation from the Department of Education that the funds were required by Ryerson Polytechnical Institute. A portion of this amount was later paid to Ryerson Polytechnical Institute in September 1968. It would appear that the original amount of \$1,000,000 was not required by Ryerson Polytechnical Institute during the fiscal year 1967-68 and, therefore, should have been allowed to remain as an unexpended balance in vote 519 item 1 and to lapse in accordance with subsection 3 of section 15 of The Audit Act.

The Ontario New Universities Library Project, which began in 1963, was substantially completed in 1967 with final accounting in 1968. This Project, which was undertaken to provide a basic library for 5 participating institutions, was administered by the University of Toronto. To finance this Project the participating institutions provided \$1,300,000 from funds which were made available by the Province for the purchase of books and the Province also contributed \$636,430 to cover administrative costs.

The final statement of income and expense prepared by the University of Toronto indicated that books in the amount of \$1,251,992 had been purchased at an administrative cost of \$544,095. After allowing for interest credited, the unexpended funds in the book account were \$55,464 and in the administration account \$111,615, a total of \$167,079.

In May, 1967 a payment of \$50,000 was received from the University of Toronto as a partial refund of the unexpended balances. This payment was deposited in the Accountable Advance Account of the Department of University Affairs to facilitate equal distribution to the 5 participating institutions. Before the books of the Province were closed for the year ended March 31, 1968 the balance of \$117,079 was received from the University of Toronto. In a memorandum from my office dated July 5, 1968 the opinion was expressed that this

cheque should be deposited by the Department of University Affairs in the Consolidated Revenue Fund. However, arrangements were made by the Department of University Affairs subsequent to this date to have this cheque deposited in their Accountable Advance Account for subsequent distribution in equal amounts to the 5 participating institutions.

In my opinion the \$111,615 of unexpended funds in the administration account belonged to the Province and should have been returned for deposit in the Consolidated Revenue Fund.

The Treasurer of Ontario from time to time transfers sums of money to chartered banks to provide for redemption of matured debentures and coupons of Provincial issues. Over a period of time a substantial amount accumulates in the accounts since many debentures and coupons are not presented when due. An analysis of these accounts revealed that \$4,868,829 was on deposit in the various banks at March 31, 1968, of which \$1,091,398 pertained to debentures and coupons outstanding for two or more years. Most of these accounts are non-interest bearing. In my opinion a periodic review should be made to calculate amounts in excess of current requirements which could be returned to the Treasurer of Ontario to be credited to a trust account until claimed.

The Probation Services Branch of the Department of Attorney General provides certain services and materials for the benefit of the National Parole Service (Canada) without remuneration or receipt of corresponding benefits. It is estimated that the cost of these services and materials to the Province of Ontario is in excess of \$150,000 per annum. Negotiations in progress with the Government of Canada have so far failed to bring about a realignment of responsibility or a monetary solution satisfactory to the Province.

Payments totalling \$2,679,622 were made during the year to the Canadian National Railways for operating costs of GO Transit but no formal agreement between the Canadian National Railways and the Province of Ontario covering this operation had been signed at the date of this report. It is most important that a firm agreement be arrived at as soon as possible.

Maintenance costs for GO Transit for the year ended March 31, 1968 were \$3,629,533, consisting of operating costs of \$2,679,622 referred to above and rental, administrative and other expenses of \$949,911. Details of the operating costs, based on monthly billings of the Canadian National Railways, are as follows:

Working Capital Advance.....	\$ 225,000
Operating Expenses (including implementation expenses)....	4,358,712
	<u>\$4,583,712</u>
Less: Revenue from Ticket Sales.....	1,904,090
	<u>1,904,090</u>
Excess of expenses and advance over ticket revenue paid to Canadian National Railways.....	<u>\$2,679,622</u>

STATEMENT OF ASSETS AND LIABILITIES

The Statement of Assets and Liabilities is presented below and, as mentioned previously, includes only those assets and liabilities which are deemed to affect Net Debt.

PROVINCE OF ONTARIO STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 1968

ASSETS

Cash on Hand and in Banks.....	\$ 264,006,476
Temporary Investments.....	35,256,664
Advances to Commissions (net).....	711,203,281
Advances and Investments—Crown Corporations (net).....	823,953,067
Loans to Municipalities.....	165,737,472
Other Loans and Investments.....	89,147,536
Capital Assets.....	1
Inactive Assets.....	4,555,709
Total Assets.....	\$2,093,860,206
Less: Reserve for Inactive Assets.....	4,508,722
Net Realizable Assets.....	\$2,089,351,484
Net Debt.....	1,450,474,742
	<u>\$3,539,826,226</u>

LIABILITIES

Demand Deposits with the Province of Ontario Savings Office.....	\$ 92,116,230
Pension Funds.....	287,645,931
Deposit, Trust and Reserve Accounts.....	53,128,400
Unmatured Stock and Debentures.....	\$3,237,216,628
Less: Sinking Fund.....	130,280,963
	<u>3,106,935,665</u>
	<u>\$3,539,826,226</u>
Contingent Liabilities:	
Bonds, etc., Guaranteed by the Province.....	\$1,933,250,581

I report hereunder on certain of the assets and liabilities as shown on the statement of assets and liabilities of the Province as at March 31, 1968, which appear in the Public Accounts for 1967-68 on pages 18-19.

ASSETS

CASH ON HAND AND IN BANKS—\$264,006,476

The balances in chartered banks making up the above amount were verified by reconciliation with confirmation letters received direct from the depositaries. It was necessary to take into account an adjustment to segregate sinking fund moneys on deposit with the Treasurer of Ontario from other Provincial moneys on deposit at March 31, 1968.

Cash on hand in the various branches of the Province of Ontario Savings Office was certified by the respective branch managers and the cash on deposit in chartered banks was confirmed by direct correspondence with the banks concerned. The balance of cash on hand and in banks of the Savings Office, after elimination of Ontario Government funds, was a credit of \$602,287. This balance was eliminated at the year end by journal entry transfer from funds on deposit with the Treasurer of Ontario.

TEMPORARY INVESTMENTS—\$35,256,664

	Par Value
Government of Canada:	
Direct and Guaranteed Securities.....	\$10,884,500
Treasury Bills.....	12,488,000
Provinces of Canada:	
Direct and Guaranteed Securities.....	11,950,000
Treasury Notes.....	1,000,000
	<u>\$36,322,500</u>
Subject to repurchase agreements at.....	\$13,300,000
To be held to Maturity.....	<u>21,956,664</u>
	<u>\$35,256,664</u>

Temporary investments were made under authority of section 20 of The Financial Administration Act to realize the maximum return on funds temporarily surplus to current requirements. The investments subject to repurchase agreements are made with the vendors of the securities who contract to pay interest at an agreed rate and to buy back the securities at a fixed date at the amount paid by the Province. The above securities, held for safekeeping by the Securities Branch of the Treasury Department, were verified by actual count as at March 31, 1968.

ADVANCES TO COMMISSIONS (NET)—\$711,203,281

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—SECURED BY BONDS—\$538,944,000

Under the provisions of The Power Commission Act, proceeds and discount from the issue of debentures of the Province of Ontario in the amount of \$125,150,000 were charged to The Hydro-Electric Power Commission of Ontario during the year. The Commission repaid \$4,001,000 on account of redemptions prior to maturity, leaving a balance of \$538,944,000 outstanding as at March 31, 1968.

As security for the advances, the Province holds bonds of the Commission for the same principal amount and the same interest rate and terms as the related Province of Ontario debentures. Bonds of the Commission in the amount of \$538,944,000, held for safekeeping in the Securities Branch of the Treasury Department, were verified by actual count as at March 31, 1968.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—UNSECURED—\$18,610,158

General.....	\$ 4,070,569
Nuclear Powered Generating Station.....	14,539,589
	<u>\$18,610,158</u>

During the period from 1909 to 1934 funds borrowed by the Commission under authority of The Power Commission Act were, in some instances, obtained as a part of the proceeds of certain Provincial debenture issues. As the related issue matures, the Commission repays the amount previously advanced and also pays its share of the interest and service charges of the Provincial issues concerned. During the year, a principal repayment of \$1,414,789 was received, leaving a balance of \$4,070,569 outstanding in this account at March 31, 1968. Future annual repayments will liquidate this balance by the fiscal year ended March 31, 1972.

Advances in the amount of \$7,497,534 were made to the Commission during the year, representing the Province's share of the capital costs of a nuclear powered generating station at Pickering. The total capital cost of the first 2 units of this station is estimated to be \$270,000,000 and under the terms of the agreement the Province's share of this cost will be approximately \$68,200,000. The agreement also provides for monthly repayments by the Commission of this share of the cost commencing at the "in-service" date of the station.

ONTARIO WATER RESOURCES COMMISSION—

ADVANCES—\$118,884,188

This Commission was created in 1956 to assist Ontario municipalities in dealing with their financial and physical problems relating to water resources, sewage and pollution. Projects undertaken must be self-supporting, earning sufficient revenue to cover operating costs, rentals, interest charges, debt retirement over a reasonable time, etc.

This account was increased during the year by an amount of \$14,069,655, including net interest charges of \$1,498,709.

ONTARIO NORTHLAND TRANSPORTATION COMMISSION—

ADVANCES—\$34,707,935

This amount relates to advances to the Commission to provide funds for construction and equipment. A portion of the advances in the amount of \$30,207,935 is non-interest bearing as provided for by Order in Council dated April 22, 1936. Advances of \$700,000 during the year brought the current advances to \$4,500,000 at March 31, 1968. The rate of interest on current advances at March 31, 1968 was 7% per annum.

THE CROP INSURANCE COMMISSION OF ONTARIO—

ADVANCES (NET)—\$57,000

This Commission was established in 1966 to administer plans of crop insurance and related activities in Ontario and generally to administer The Crop Insurance Act (Ontario), 1966 and the Regulations made thereunder.

The above amount represents the difference between an advance from the Treasurer of Ontario of \$134,000 and a deposit by the Commission with the Treasurer of Ontario of \$77,000. The advance of \$134,000 is without interest and was made for the purpose of making payments for claims under plans of insurance as provided for by section 8 of The Crop Insurance Act (Ontario), 1966. Subsequent to receiving the advance, the Commission deposited a total of \$77,000, to earn interest at 5% per annum, with the Treasurer of Ontario. It was explained that these deposits were made from funds held to meet future claims on the 1967-68 Winter Wheat Crop.

ADVANCES AND INVESTMENTS—CROWN CORPORATIONS (NET)—\$823,953,067

THE ONTARIO UNIVERSITIES CAPITAL AID CORPORATION—

ADVANCES—\$328,441,670

This Corporation was established in 1964 with the object of purchasing from colleges and universities bonds or debentures issued by them for capital construction projects that have Ministerial approval.

The advances bear interest at $5\frac{1}{2}\%$ and $6\frac{1}{2}\%$ per annum and are repayable to the Province in the same amounts as the yearly instalments become due on the debentures purchased by the Corporation. During the year under review \$106,308,800 was advanced to the Corporation and \$3,285,771 was repaid, leaving net advances of \$103,023,029 for the year.

Funds for the payment of principal instalments and interest on debentures by the colleges and universities are provided through grants made available by the Department of University Affairs. For the year ended March 31, 1968 these grants totalled \$15,683,796, being comprised of \$12,398,025 interest and \$3,285,771 principal instalments.

The financial statements of the Corporation are shown in the Public Accounts for 1967-68 on page 83.

THE ONTARIO EDUCATION CAPITAL AID CORPORATION—

ADVANCES—\$326,093,020

This Corporation was established in 1966 to purchase from municipalities debentures issued by them for school board undertakings, public library purposes and grants to associations constituted for the promotion of the welfare and education of retarded children.

Net advances of \$160,623,517 were made during the year, leaving the above balance of \$326,093,020 outstanding at March 31, 1968. Revenue of the Corporation has been applied to the payment of interest on advances. This interest paid out is equal to the net interest received by the Corporation.

The financial statements of the Corporation are shown in the Public Accounts for 1967-68 on pages 84-85.

ONTARIO HOUSING CORPORATION—ADVANCES—\$73,751,485

This Corporation was established in 1964 to assume the responsibility of the Province relative to existing and future agreements under The Housing Development Act. All assets acquired under this Act were vested in the Corporation together with all rights of the Province under existing agreements.

The Corporation assumed responsibility for the management, operation and administration of such housing projects as are constructed in the Metropolitan Toronto area jointly by the Government of Canada and the Ontario Housing Corporation.

The Corporation also was charged with acquiring and administering certain dwelling units adjacent to the widened portions of Highway 401 and for this purpose was provided with interest-free funds by the Treasurer of Ontario. During the year, the Corporation assumed the responsibility of moving certain houses acquired by the Department of Highways relative to the widening of Highway 27.

The advances in the amount of \$73,751,485 at March 31, 1968, a net increase of \$31,576,241 during the year, are made up of advances of \$60,276,601 to December 31, 1967 as shown by the balance sheet of the Corporation and net advances of \$13,474,884 made by the Treasurer of Ontario between January 1, 1968 and March 31, 1968.

The operations of the Corporation resulted in an excess of expenditures over revenue of \$1,907,356 for the year ended December 31, 1967. Funds to cover this operating deficit were provided by the Province.

The financial statements of the Corporation for the year ended December 31, 1967 are shown in the Public Accounts for 1967-68 on pages 86-88. It will be noted that the date of the Auditor's Report to the Directors is November 29, 1968. This late date reflects a delay in closing the books and presenting the financial statements for audit.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN CORPORATION—

ADVANCES—\$66,500,000

This Corporation was incorporated in 1952 for the purpose of making loans to assist young qualified farmers in the establishment, development and operation of their farms.

The Province has paid the costs of administration and the Corporation has applied its revenue to the payment of interest on borrowed funds and amortization of discount on debentures. The interest charged on mortgage loans has not been sufficient to meet the cost of borrowed money and, therefore, the Corporation has operated at a deficit each year since 1958. The excess of expenditures over revenue for the current year was \$632,334, an increase of \$203,655 over that of the previous year.

A reconciliation of the deficit of \$1,061,013 at March 31, 1968, as shown by the books of the Corporation, is as follows:

Accumulated deficit on operations to March 31, 1968.....		\$2,588,356
Less: Written off to Reserve for Farm Loans.....	\$1,010,431	
Provided by Department of Agriculture and Food re 1965 and 1966 losses.....	516,912	
		<u>1,527,343</u>
		<u>\$1,061,013</u>

During the year under review, additional advances of \$19,700,000 were made to assist in the financing of 1001 new loans. These new loans, after deducting 417 loans paid off, left 5,043 loans outstanding at March 31, 1968. No confirmation of mortgage loans principal was obtained from the debtors concerned.

The financial statements of the Corporation are shown in the Public Accounts for 1967-68 on pages 89-90.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

ADVANCES—\$16,893,000

The Ontario Municipal Improvement Corporation was incorporated in 1950 for the purpose of purchasing debentures of Ontario municipalities and school boards issued for certain municipal works and school board undertakings.

The Corporation held, at March 31, 1968, debentures having a par value of \$42,975,302 and bearing interest at various rates from $3\frac{3}{4}\%$ to 7%. The debentures are held for safekeeping by the Securities Branch of the Treasury Department and were verified by actual count as at March 31, 1968.

Advances of \$8,525,000 were made and repayments of \$3,770,500 were received during the year by the Treasurer of Ontario, leaving net advances of \$4,754,500 for the year.

Administrative expenses have been paid by the Province and the revenue of the Corporation has been applied to the payment of interest on borrowed funds. The excess of revenue over expenditure of \$788,233 for the year under review was transferred to a General Reserve Account bringing the balance in that account to \$7,239,048 at March 31, 1968.

The financial statements of the Corporation are shown in the Public Accounts for 1967-68 on pages 91-92.

ONTARIO DEVELOPMENT CORPORATION—

INVESTMENT—\$7,000,000

ADVANCES—145,000

—————\$7,145,000

The Ontario Development Corporation was established under The Ontario Development Corporation Act, 1966. The objects of the Corporation are to encourage and assist in the development and diversification of industry in Ontario.

The above investment of \$7,000,000 is the cost of all 7,000 shares, each with a par value of \$1,000, authorized and issued by the Corporation.

During the year advances of \$1,126,600 were made and repayments of \$981,600 were received, leaving net advances of \$145,000 outstanding at March 31, 1968.

Operations for the year resulted in an excess of income over expense of \$469,311, after including the contribution of \$567,498 by the Province to cover salary, travelling and maintenance expenses of the Corporation.

The financial statements of the Corporation are shown in the Public Accounts for 1967-68 on pages 93-95.

ONTARIO STUDENT HOUSING CORPORATION—ADVANCES—\$3,033,892

The Ontario Student Housing Corporation was established in 1966 under The Housing Development Act for the purpose of developing housing projects for students and their families.

The advances of \$3,033,892 at March 31, 1968, an increase of \$2,683,892 during the year, are comprised of advances of \$700,000 to December 31, 1967 as shown by the balance sheet of the Corporation and advances of \$2,333,892 made by the Treasurer of Ontario between January 1, 1968 and March 31, 1968.

The operations of the Corporation resulted in an excess of expenditures over revenue of \$560,089 for the year ended December 31, 1967. Funds to cover this operating deficit were provided by the Province.

The financial statements of the Corporation for the year ended December 31, 1967 are shown in the Public Accounts for 1967-68 on pages 96-97.

THE SHERIDAN PARK CORPORATION—ADVANCES—\$2,520,000

The Sheridan Park Corporation was established in 1964 with the object of acquiring and developing land in an area in the Township of Toronto, County of Peel, for the purpose of research and ancilliary services and generally for establishing a centralized research complex.

The total acreage of land available for sale did not change during the year since no sales were made. However, the book value of land, at cost, increased to \$2,101,045 due to the capitalization of various expenditures of \$424,448, including the extension of services to those areas previously unserved.

The deficit of the Corporation was reduced to \$375,872 by the receipt of mortgage interest revenue of \$6,163 for the year.

The financial statements of the Corporation are shown in the Public Accounts for 1967-68 on pages 98-99.

HOUSING CORPORATION LIMITED—\$425,000

The above amount represents surplus funds on deposit with the Treasurer of Ontario and has been deducted from the total of advances to other Crown Corporations in arriving at the net advances and investment re Crown Corporations of \$823,953,067.

Since inception, the administrative expenses of the Corporation have been paid by the Province and the Corporation has applied its revenue to the payment of interest on borrowed funds and bank collection charges on mortgage repayments. For the year ended March 31, 1968 the excess of revenue over expenditure was \$12,655 as compared with \$19,781 for the previous year.

The financial statements of Housing Corporation Limited are shown in the Public Accounts for 1967-68 on pages 100-101.

LOANS TO MUNICIPALITIES—\$165,737,472

Municipal Debentures—

Town of Atikokan	\$ 27,400
Improvement District of Elliot Lake	3,228,000
Improvement District of Manitowadge	574,700
Municipality of Metropolitan Toronto	57,111,000
City of Windsor	673,130
The Municipal Works Assistance Act, 1963	92,756,649
Tile Drainage Debentures	10,197,993
Town of Kapuskasing	1,168,600
	<u>\$165,737,472</u>

During the year under review there was a net increase of \$32,419,253 in loans to municipalities made up as follows:

	Increase	Decrease
Town of Atikokan	\$ 219,400	\$ 3,700
Improvement District of Elliot Lake		88,500
Improvement District of Manitowadge		959,000
Municipality of Metropolitan Toronto		63,981
City of Windsor	31,639,421	
The Municipal Works Assistance Act, 1963	1,197,413	
Tile Drainage Debentures	478,200	
Town of Kapuskasing		
	<u>\$33,534,434</u>	<u>\$1,115,181</u>

Under authority of The Municipal Works Assistance Act, 1963, the Province of Ontario entered into an agreement with the Municipal Development and Loan Board, a board established under the Municipal Development and Loan Act (Canada). The Board makes loans to the Province, secured by Provincial debentures, to enable the Province to make loans to municipalities for certain municipal projects. The balance of loans outstanding at March 31, 1968 was \$92,756,649.

Tile Drainage debentures are held in safekeeping by the Canadian Imperial Bank of Commerce and were confirmed as at March 31, 1968 by a test examination. The various municipal debentures, held in safekeeping by the Securities Branch of the Treasury Department, were confirmed by actual count as at March 31, 1968.

OTHER LOANS AND INVESTMENTS—\$89,147,536

The Public Hospitals Act—\$45,367,600

This amount represents advances to the Ontario Hospital Services Commission under authority of The Public Hospitals Act for the purpose of making loans and providing capital financial assistance to hospitals. During the year advances totalling \$21,808,431, consisting of \$17,744,431 for capital financial assistance and \$4,064,000 for loans, were made and repayments of \$1,025,750 were received.

LIQUOR CONTROL BOARD OF ONTARIO—

Investment—\$25,074,515

The above amount is the Surplus of the Board as at March 31, 1968 retained to finance its operations. Details of this investment are shown on page 69 of the Public Accounts for 1967-68.

MISCELLANEOUS—\$18,705,421

Conservation Authorities—Recoverable Grants.....	\$ 1,002,204
Provincial Student-Aid Loans.....	3,817,399
Sandwich, Windsor and Amherstburg Railway Company—Bonds.....	2,600,000
The Co-operative Loans Act—Loans.....	3,317,705
The Municipal and School Tax Credit Assistance Act, 1967.....	351,671
The Sault Ste. Marie Bridge Act, 1960:	
International Bridge Authority of Michigan—Bonds.....	7,615,072
St. Mary's River Bridge Company—Shares.....	1,370
	<u>\$18,705,421</u>

The balance of \$3,817,399 under Provincial Student-Aid Loans is the total of the principal owing on 7,318 loans at March 31, 1968. During the year repayments of \$1,053,703 were received, including the repayment of 1,621 loans in full. In addition, 15 loans with principal of \$8,674 and interest of \$19 were written off as uncollectable.

Reimbursements to municipalities for credits and refunds allowed in accordance with the provisions of The Municipal and School Tax Credit Assistance Act, 1967 amounted to \$362,759 during the year. Repayments of \$11,088 were received, leaving a balance of \$351,671 outstanding at March 31, 1968.

Bonds of the Sandwich, Windsor and Amherstburg Railway Company, the International Bridge Authority of Michigan and shares of the St. Mary's River Bridge Company, held in safekeeping in the Securities Branch of the Treasury Department, were confirmed by actual count at March 31, 1968.

CAPITAL ASSETS—\$1

Expenditures on fixed assets are now treated as general expenditures of each fiscal year and their value is shown in the statement of assets and liabilities at a nominal value of one dollar. The detailed records, which are maintained for internal control purposes, indicate the following investment as at March 31, 1968:

Highways and Roads—Capital Disbursements.....	\$3,154,650,009	
Less: Capital Disbursements to March 31, 1938, written off.....	262,169,104	\$2,892,480,905
Rural Power Transmission Lines—Bonus 1927-68.....	\$ 118,446,646	
Less: Bonus to March 31, 1938, written off.....	10,503,243	
Land, Buildings, Public Works, etc.....		107,943,403
The Niagara Parks Commission—Equity (October 31, 1967).....		642,990,965
The St. Lawrence Parks Commission—Equity (March 31, 1968).....		9,727,757
Huron Historical Parks—Equity (March 31, 1968).....		11,105,961
		1,632,759
		\$3,665,881,750
Less: Amount written off.....		3,665,881,749
		<u>\$ 1</u>

INACTIVE ASSETS—\$4,555,709

Government of Canada.....	\$4,300,955
Home Bank (in liquidation).....	207,767
Settlers' Loans.....	46,987
	<u>\$4,555,709</u>

Details of the Government of Canada account, consisting of Debt Account \$2,848,290 and Common School Fund \$1,452,665, were given in my report of 1963-64. Interest at 5% per annum has been received in 1967-68 in accordance with existing arrangements.

Repayments on behalf of the Home Bank and Settlers' Loans were received during the year in the amount of \$5,233 and \$478 respectively.

RESERVE FOR INACTIVE ASSETS—\$4,508,722

A reserve for the full amount of the Government of Canada and Home Bank accounts has been provided because recovery of the amounts shown as assets is not expected. The Government of Canada pays interest at 5% per annum on its accounts but the present agreement does not call for liquidation of the principal amount. The Home Bank is in the final stages of liquidation and recovery of the balance owing is doubtful.

NET DEBT—\$1,450,474,742

The Net Debt of the Province increased by an amount of \$106,748,052 during the year. The factors contributing to this increase were a net increase of \$614,223,525 in unmatured stock and debentures, a net increase of \$46,782,406 in other borrowings less an increase of \$554,257,878 in Net Realizable Assets.

LIABILITIES

DEMAND DEPOSIT WITH THE PROVINCE OF ONTARIO SAVINGS OFFICE— \$92,116,230

This amount is made up of current deposits of \$92,013,684 and unclaimed balances of \$102,546. The accounts are carried by 21 branches of the Savings Office in the Province.

PENSION FUNDS—\$287,645,931

Public Service Superannuation Fund—\$286,538,438

During the year under review \$51,741,078 was received by the Fund and disbursements amounted to \$17,529,837, leaving a balance of \$286,538,438 on deposit with the Treasurer of Ontario at March 31, 1968. A Statement of the Fund is shown in the Public Accounts for 1967-68 on pages 71-72.

Legislative Assembly Retirement Allowances Account—\$1,107,493

This is the balance in the Account on deposit with the Treasurer of Ontario as at March 31, 1968. A Statement of the Account is shown in the Public Accounts for 1967-68 on page 72.

DEPOSIT, TRUST AND RESERVE ACCOUNTS—\$53,128,400

Deposit and Trust Accounts—\$48,613,847

A listing of the accounts making up this liability is shown in the Public Accounts for 1967-68 on page 73.

Reserves—\$3,811,182

Details of the liability reserves are shown in the Public Accounts for 1967-68 on page 21.

Miscellaneous—\$703,371

This amount is the balance outstanding at March 31, 1968 on the mortgage on 880 Bay Street, Toronto. The mortgage on 135 St. Clair Avenue West, Toronto was discharged during the year by payments totalling \$1,921,091.

UNMATURED STOCK AND DEBENTURES—\$3,237,216,628

Less: Sinking Fund	130,280,963	
		<u>\$3,106,935,665</u>

Stock and debentures outstanding at March 31, 1968 were held as follows:

In the hands of the Public.....	\$3,143,608,628
In the Sinking Fund of the Province.....	93,608,000
	<u>\$3,237,216,628</u>

During the year the Province issued debentures in the amount of \$723,268,281 and redeemed debentures in the amount of \$109,044,756 for a net increase in funded debt of \$614,223,525 for the year. Details of stock and debentures outstanding at March 31, 1968 are shown in the Public Accounts for 1967-68 on pages 75-81.

The Sinking Fund at March 31, 1968 consisted of:

Investments, at par value.....	\$129,339,000
Uninvested funds on deposit with the Treasurer of Ontario..	941,963
	<u>\$130,280,963</u>

A summary of Sinking Fund and its investments is shown in the Public Accounts for 1967-68 on page 82. The securities held for the Fund were verified by actual count and the uninvested funds on deposit were verified from the records of the Treasury Department as at March 31, 1968.

Contingent Liabilities—\$1,933,250,581

Bonds, etc., guaranteed by the Province of Ontario.....	\$1,946,581,581
Less: Held in Sinking Fund.....	13,331,000
	<u>\$1,933,250,581</u>

Details of contingent liabilities are shown in the Public Accounts for 1967-68 on pages 102-104.

CHARTS AND STATEMENTS

Certain charts and statements which appeared in previous reports have been omitted this year because of loss of comparability due to the changes in accounts presentation referred to previously.

Charts showing the trend in certain major items of Net General Revenue and Expenditure appear on pages 38-41 of this report. A chart showing comparisons between Estimated and Actual Net Ordinary Voted Expenditure for the ten years ended March 31, 1968 and a chart showing comparisons between Estimated and Actual Net Capital Voted Expenditure for the ten years ended March 31, 1968 are appended on pages 42-43.

The following statements for the fiscal year April 1, 1967 to March 31, 1968 will be found on pages 44-48.

Consolidated Revenue Fund

Comparative Statement of Interim and Actual Net General Revenue

Comparative Statement of Interim and Actual Net General Expenditure

Comparative Statement of Interim and Actual Non-Budgetary Transactions

Statements showing details of Treasury Board Orders issued for the authorization of expenditures in excess of appropriations during the fiscal year ended March 31, 1968 and Special Warrants issued during the fiscal year ended March 31, 1968 are submitted in separate sections immediately following the statements referred to above.

I am very pleased to have this opportunity to acknowledge the willing co-operation and effective help of the officials and staff of the various Departments, Boards and Commissions during the conduct of the audit.

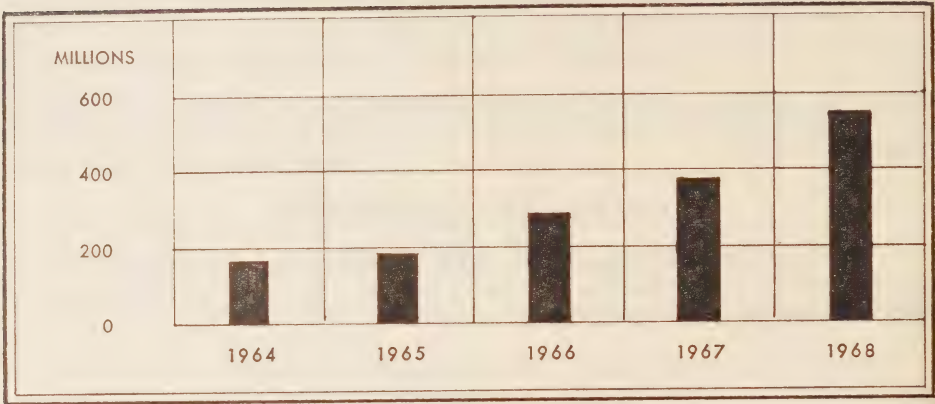
George H. Spence F.C.A.

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Toronto, November 29, 1968

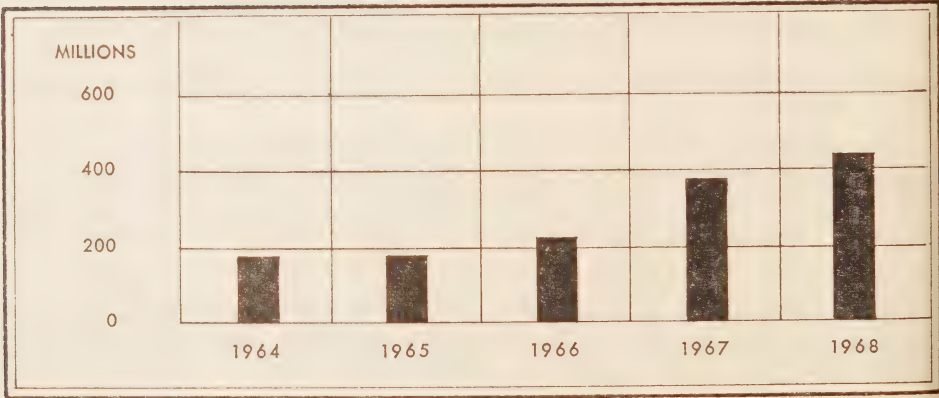
MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

INCOME TAX



YEAR ENDED MARCH 31	AMOUNT
1964	\$ 164,369,708
1965	195,842,112
1966	292,403,842
1967	393,836,627
1968	551,003,573

RETAIL SALES TAX

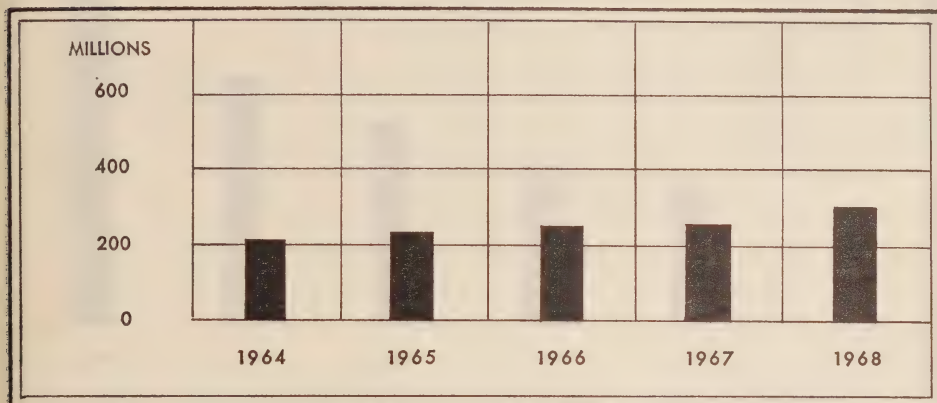


YEAR ENDED MARCH 31	AMOUNT
1964	\$ 186,534,521
1965	195,298,715
1966	220,998,196
1967	385,574,600
1968	435,666,243

GENERAL REVENUE

YEARS ENDED MARCH 31, 1968

CORPORATIONS TAX

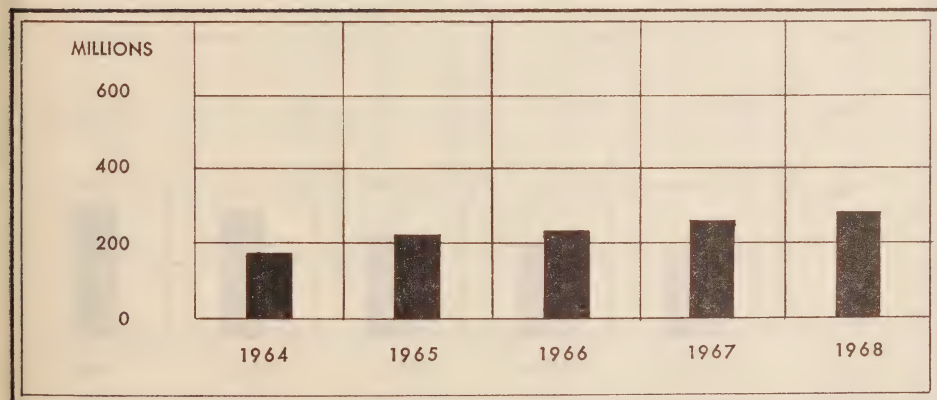


YEAR ENDED
MARCH 31

AMOUNT

1964	.....	\$ 209,672,035
1965	.....	232,543,374
1966	.....	252,375,741
1967	.....	274,499,829
1968	.....	302,272,738

GASOLINE TAX



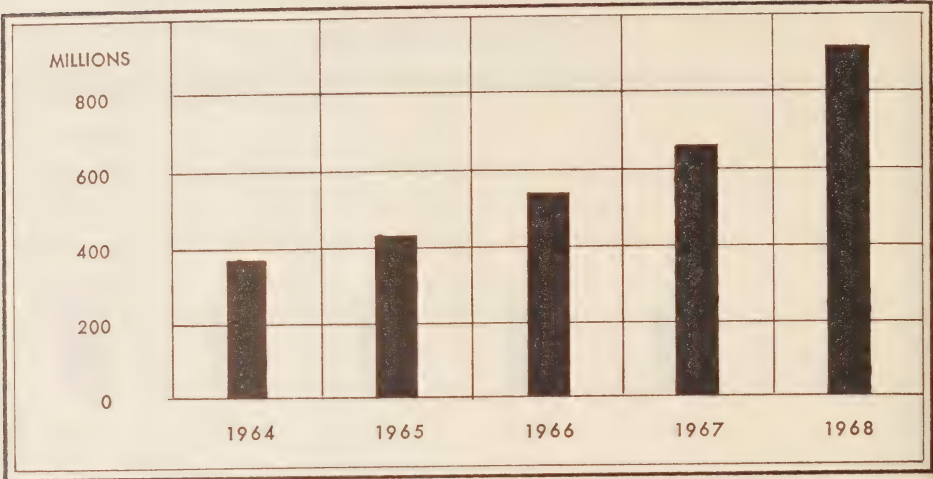
YEAR ENDED
MARCH 31

AMOUNT

1964	.....	\$ 183,649,850
1965	.....	221,188,555
1966	.....	236,829,198
1967	.....	266,391,391
1968	.....	283,220,886

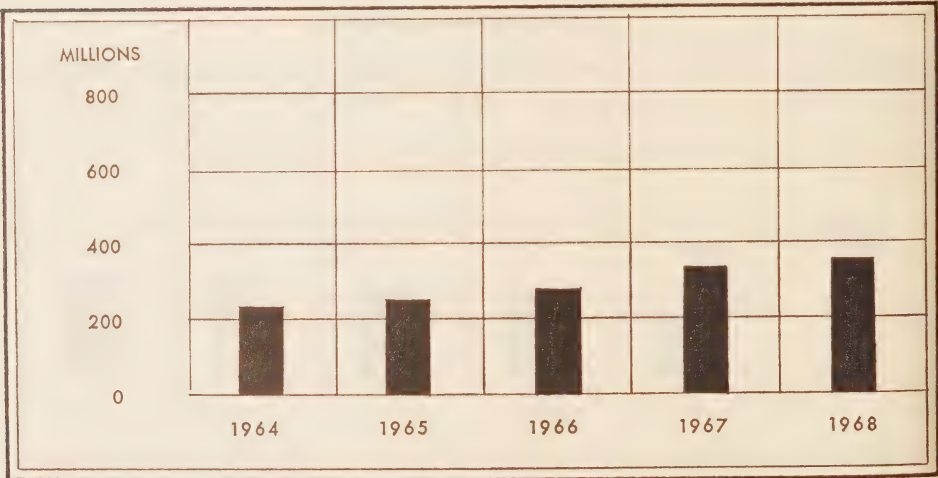
MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

EDUCATION



YEAR ENDED MARCH 31	AMOUNT
1964	\$ 381,041,328
1965	417,086,004
1966	513,104,150
1967	660,114,577
1968	907,373,717

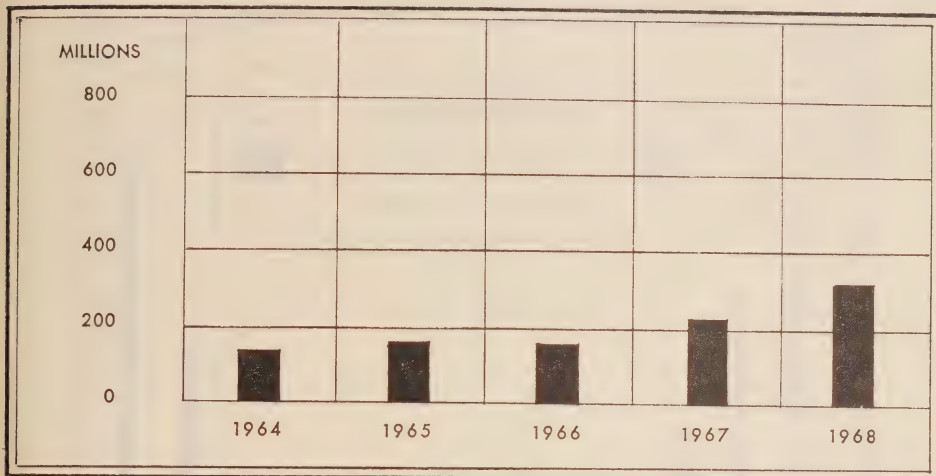
COST OF PHYSICAL ASSETS



YEAR ENDED MARCH 31	AMOUNT
1964	\$ 233,564,423
1965	255,729,959
1966	282,949,220
1967	333,792,656
1968	364,999,151

GENERAL EXPENDITURE
YEARS ENDED MARCH 31, 1968

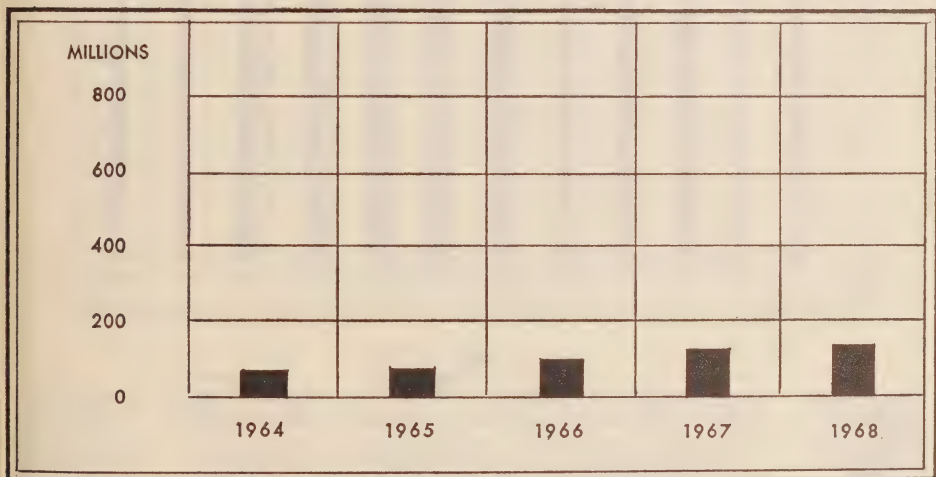
HEALTH SERVICES



YEAR ENDED
MARCH 31

YEAR ENDED MARCH 31	AMOUNT
1964	\$ 122,025,920
1965	154,601,128
1966	164,044,765
1967	213,241,515
1968	314,235,937

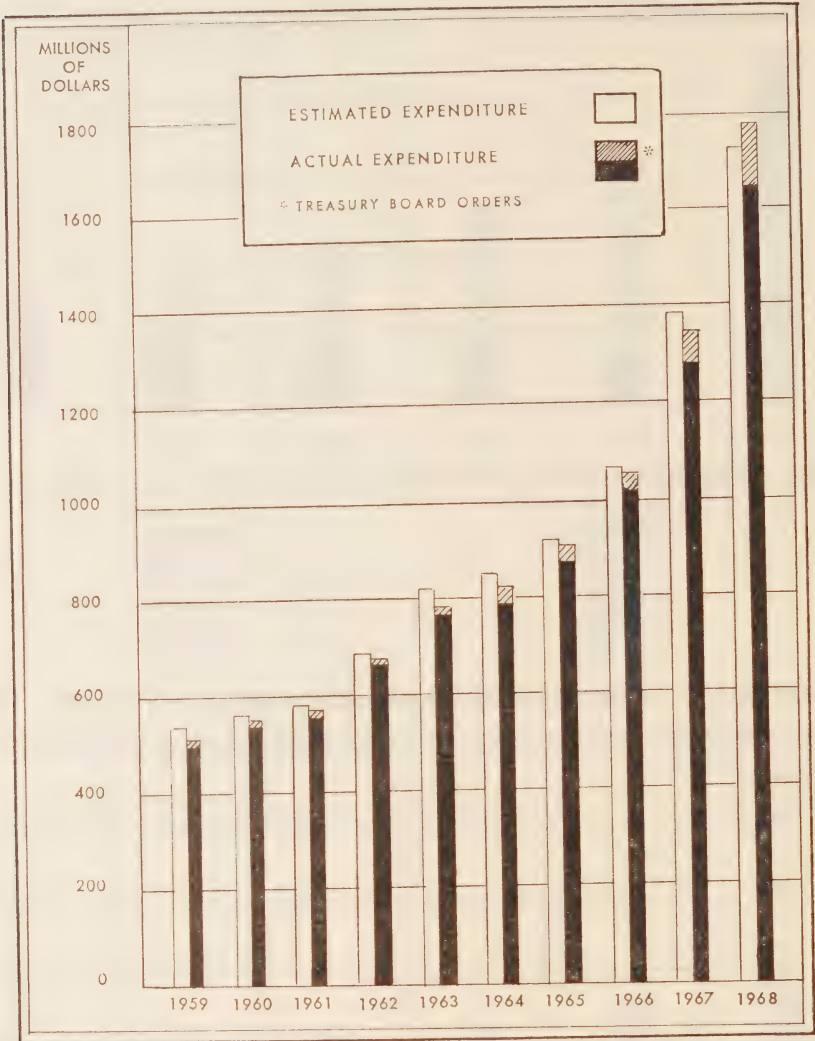
HIGHWAYS AND ROADS — MAINTENANCE, GRANTS, Etc.



YEAR ENDED
MARCH 31

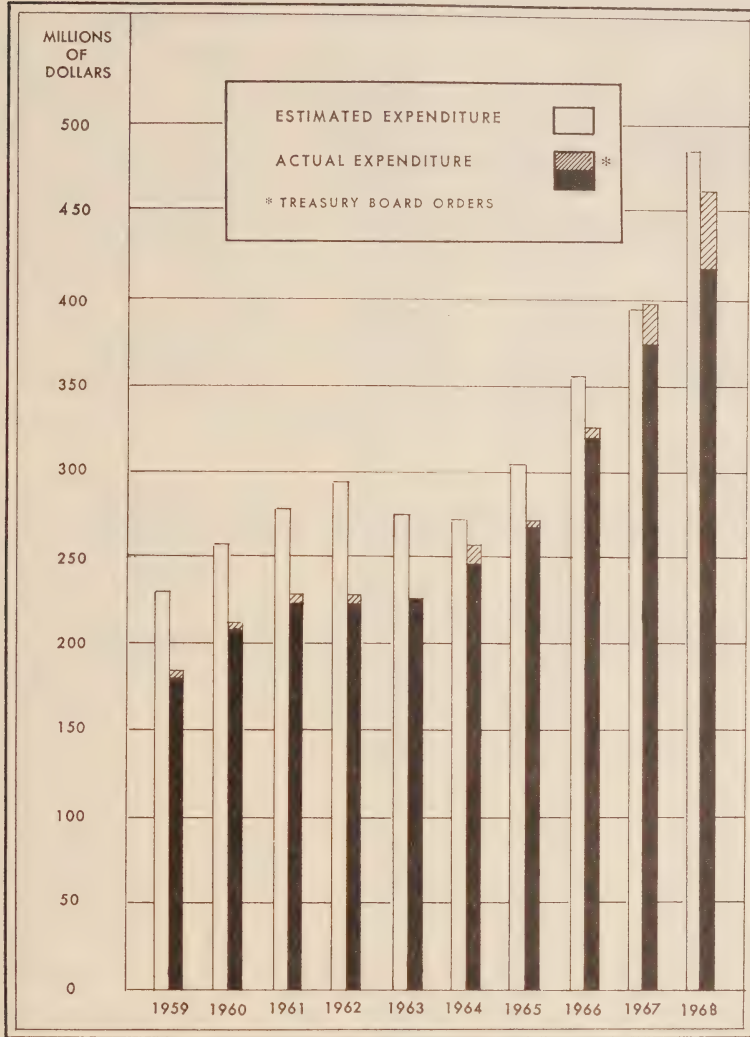
YEAR ENDED MARCH 31	AMOUNT
1964	\$ 81,579,733
1965	88,538,129
1966	97,567,588
1967	115,886,991
1968	125,600,093

**ESTIMATED NET ORDINARY VOTED EXPENDITURE
COMPARED WITH ACTUAL NET ORDINARY VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1968**



YEAR ENDED MARCH 31	ESTIMATED NET ORDINARY VOTED EXPENDITURE	ACTUAL NET ORDINARY VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1959	\$ 531,676,500	\$ 506,037,469	\$ 5,075,319	\$ 511,112,788
1960	561,796,000	535,551,563	6,385,557	541,937,120
1961	588,203,400	558,082,501	7,842,746	565,925,247
1962	687,030,500	649,736,213	10,573,093	660,309,306
1963	802,135,000	765,599,893	10,696,506	776,296,399
1964	834,456,000	789,664,393	18,103,088	807,767,481
1965	911,041,200	876,567,197	31,926,320	908,493,517
1966	1,057,151,600	1,009,034,002	41,561,165	1,050,595,167
1967	1,377,364,900	1,267,967,603	65,143,361	1,333,110,964
1968	1,726,773,400	1,639,136,474	125,184,824	1,764,321,298

**ESTIMATED NET CAPITAL VOTED EXPENDITURE
COMPARED WITH ACTUAL NET CAPITAL VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1968**



YEAR ENDED MARCH 31	ESTIMATED NET CAPITAL VOTED EXPENDITURE	ACTUAL NET CAPITAL VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1959	\$230,810,000	\$178,876,677	\$ 743,400	\$179,620,077
1960	258,127,000	207,399,300	1,637,177	209,036,477
1961	275,600,000	225,839,595	4,880,319	230,719,914
1962	298,009,000	227,725,859	519,719	228,245,578
1963	275,392,000	229,084,116	.....	229,084,116
1964	273,375,000	248,303,551	7,558,276	255,861,827
1965	303,707,000	269,871,194	3,168,158	273,039,352
1966	353,177,000	316,824,579	4,765,412	321,589,991
1967	399,385,000	373,749,414	25,885,052	399,634,466
1968	485,019,000	415,036,908	44,559,849	459,596,757

CONSOLIDATED REVENUE FUND

YEAR ENDED MARCH 31, 1968

CASH ON HAND AND IN BANKS AT APRIL 1, 1967

Treasurer of Ontario.....	\$ 189,657,045	
Uninvested Sinking Fund.....	3,644,463	
		\$193,301,508

BUDGETARY TRANSACTIONS

Net General Revenue.....	2,146,871,183	
Net General Expenditure excluding Sinking Fund		
Provision.....	2,253,619,235	
Budgetary Deficit transferred to Net Debt.....	106,748,052	
Provision for Sinking Fund.....	43,000,000	
		149,748,052

NON-BUDGETARY TRANSACTIONS

Receipts and Credits.....	181,486,304	
Disbursements and Charges.....	618,460,682	
Net Change in Temporary Investments.....	34,848,336	
		402,126,042

DEBT TRANSACTIONS

Proceeds of Loans.....	723,268,281	
Net Change in Sinking Fund Investments.....	14,297,500	
Loans Matured or Retired.....	114,044,756	
		623,521,025

CASH ON HAND AND IN BANKS AT MARCH 31, 1968

Treasurer of Ontario.....	264,006,476	
Uninvested Sinking Fund.....	941,963	
		\$ 264,948,439

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET GENERAL
REVENUE** FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968**

	INTERIM NET GENERAL REVENUE	ACTUAL NET GENERAL REVENUE	ACTUAL TO INTERIM INCREASE	DECREASE
Taxation:				
Income Tax Collection Agreement	\$ 550,000,000	\$ 551,003,573	\$ 1,003,573	\$
Retail Sales Tax	435,000,000	435,666,243	666,243	
Corporations Tax	300,000,000	302,272,738	2,272,738	
Gasoline Tax	280,000,000	283,220,886	3,220,886	
Succession Duty	57,000,000	59,637,932	2,637,932	
Share of Federal Estate Tax	20,000,000	20,628,000	628,000	
Motor Vehicle Fuel Tax	21,500,000	21,526,737	26,737	
Tobacco Tax	19,000,000	18,983,089		16,911
Race Tracks Tax	14,500,000	15,091,206	591,206	
Mines Profits, Acreage, Gas	14,733,000	16,334,342	1,601,342	
Land Transfer Tax	10,500,000	10,822,506	322,506	
Hospitals Tax	9,000,000	9,524,481	524,481	
Security Transfer Tax	5,000,000	4,834,751		165,249
Logging Tax	2,000,000	1,661,909		338,091
Income Tax—Public Utilities	1,000,000	1,576,385	576,385	
Other Taxation	4,333,000	4,355,307	22,307	
Total Tax Revenue	\$1,743,566,000	\$1,757,140,085	\$14,094,336	\$ 520,251
Other Revenue:				
Treasury:				
Liquor Control Board of Ontario	\$ 150,000,000	\$ 149,141,973	\$	\$ 858,027
Water Power Rentals	7,900,000	8,154,251	254,251	
Post-Secondary Education				
Adjustment Payment	11,000,000	19,478,992	8,478,992	
Other	4,971,000	4,847,498		123,502
Total Treasury	\$ 173,871,000	\$ 181,622,714	\$ 8,733,243	\$ 981,529
Transport	101,175,000	107,378,513	6,203,513	
Lands and Forests	27,248,000	28,218,548	970,548	
Attorney General	14,680,000	14,186,867		493,133
Education	6,094,000	6,907,151	813,151	
Health	5,476,000	9,396,479	3,920,479	
Provincial Secretary and				
Citizenship	3,916,000	4,014,748	98,748	
Highways	2,808,000	2,837,767	29,767	
Mines (less Taxes re Mines Profits,				
Acreage, Gas)	1,796,000	1,912,714	116,714	
Agriculture and Food	1,852,000	1,931,769	79,769	
Labour	2,014,000	3,252,510	1,238,510	
Other Departments	27,903,000	28,071,318	168,318	
Total Other Revenue	\$ 368,833,000	\$ 389,731,098	\$22,372,760	\$1,474,662
Total Net General Revenue	\$2,112,399,000	\$2,146,871,183	\$36,467,096	\$1,994,913

*8 months' actual—4 months' forecast.

**Combined net ordinary revenue and net capital receipts from physical assets.

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET GENERAL
EXPENDITURE** FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968**

	INTERIM NET GENERAL EXPENDITURE	ACTUAL NET GENERAL EXPENDITURE	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Education.....	\$ 703,717,000	\$ 695,729,068	\$	\$ 7,987,932
Highways.....	431,809,000	423,026,272		8,782,728
Health.....	303,564,000	314,235,937	10,671,937	
University Affairs.....	221,718,000	211,644,649		10,073,351
Municipal Affairs.....	71,911,000	69,430,184		2,480,816
Social and Family Services.....	108,005,000	103,351,652		4,653,348
Debt Transactions.....	109,067,000	107,162,686		1,904,314
Public Works.....	75,641,000	69,627,241		6,013,759
Attorney General.....	65,258,000	64,192,712		1,065,288
Lands and Forests.....	52,633,000	50,813,866		1,819,134
Treasury.....	40,523,000	44,108,023	3,585,023	
Agriculture and Food.....	38,634,000	36,401,569		2,232,431
Reform Institutions.....	26,717,000	28,311,615	1,594,615	
Energy and Resources Management	20,741,000	18,701,646		2,039,354
Economics and Development.....	15,481,000	12,015,669		3,465,331
Labour.....	10,417,000	9,810,915		606,085
Transport.....	10,998,000	10,623,456		374,544
Tourism and Information.....	11,596,000	11,532,489		63,511
Provincial Secretary and Citizenship	6,686,000	6,615,376		70,624
Mines.....	3,847,000	3,812,364		34,636
Financial and Commercial Affairs..	2,723,000	2,691,621		31,379
Civil Service.....	1,730,000	1,692,420		37,580
Provincial Auditor.....	759,000	754,667		4,333
Prime Minister.....	270,000	299,995	29,995	
Lieutenant Governor.....	37,000	33,143		3,857
Total Net General Expenditure				
Including Provision for Sinking				
Fund.....	\$2,334,482,000	\$2,296,619,235	\$15,881,570	\$53,744,335

*8 months' actual—4 months' forecast.

**Combined net ordinary expenditure, including provision for sinking fund, and net capital expenditure on physical assets.

COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NON-BUDGETARY TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968

	INTERIM NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO INTERIM	
			INCREASE	DECREASE
Receipts and Credits:				
Proceeds of Non-Public Debenture Issues:				
Canada Pension Plan.....	\$371,852,000	\$375,902,000	\$ 4,050,000	\$
The Municipal Works Assistance Act.....	35,876,000	32,316,281		3,559,719
Ontario Municipal Employees' Retirement Fund.....	24,900,000	24,900,000		
Teachers' Superannuation Fund...	55,000,000	55,000,000		
	<u>487,628,000</u>	<u>488,118,281</u>	<u>4,050,000</u>	<u>3,559,719</u>
Debenture Issues on Behalf of The Hydro-Electric Power Commission of Ontario.....	123,453,000	125,150,000	1,697,000	
Bank Loan.....	5,000,000	5,000,000		
Province of Ontario Savings Deposits (net).....	3,216,000	13,385,736	10,169,736	
Repayment of Loans and Advances:				
The Hydro-Electric Power Commission of Ontario.....	1,415,000	5,415,789	4,000,789	
The Municipal Works Assistance Act.....	15,150,000	13,433,923		1,716,077
The Ontario Municipal Improvement Corporation.....	5,300,000	3,770,500		1,529,500
The Ontario Universities Capital Aid Corporation.....	3,285,000	3,285,771	771	
The Ontario Education Capital Aid Corporation.....	6,975,000	6,931,483		43,517
Ontario Development Corporation..	1,174,000	981,600		192,400
Other.....	6,380,000	5,507,041		872,959
	<u>39,679,000</u>	<u>39,326,107</u>	<u>4,001,560</u>	<u>4,354,453</u>
Receipts of Special Funds:				
Sales of Vacation-with-Pay Stamps	14,300,000	13,020,443		1,279,557
Public Service Superannuation Fund	49,784,000	51,741,078	1,957,078	
Motor Vehicle Accident Claims Fund.....	8,900,000	8,395,523		504,477
Health Insurance Registration Board.....		4,814,477	4,814,477	
Ontario Medical Services Insurance Plan.....	3,000,000			3,000,000
Ontario Municipal Employees' Retirement Fund.....	5,100,000	6,600,000	1,500,000	
Other.....	1,784,000	2,106,308	322,308	
	<u>82,868,000</u>	<u>86,677,829</u>	<u>8,593,863</u>	<u>4,784,034</u>
Deferred Assets, etc.:				
Provision for Sinking Fund.....	43,000,000	43,000,000		
Other.....	1,778,000	78,231		1,699,769
	<u>44,778,000</u>	<u>43,078,231</u>		<u>1,699,769</u>
Total Receipts and Credits.....	<u>\$776,622,000</u>	<u>\$790,736,184</u>	<u>\$28,512,159</u>	<u>\$14,397,975</u>

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1967 TO MARCH 31, 1968**

—Continued

	INTERIM NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO INTERIM INCREASE	DECREASE
Disbursements and Charges:				
Loans and Advances:				
The Ontario Municipal Improve- ment Corporation.....	\$ 9,000,000	\$ 8,525,000	\$	\$ 475,000
Ontario Housing Corporation.....	41,500,000	31,724,884		9,775,116
Ontario Student Housing Corpora- tion.....	6,000,000	2,683,892		3,316,108
The Ontario Universities Capital Aid Corporation.....	104,570,000	106,308,800	1,738,800	
The Ontario Education Capital Aid Corporation.....	175,000,000	167,555,000		7,445,000
Ontario Water Resources Commis- sion.....	15,500,000	14,069,655		1,430,345
The Ontario Junior Farmer Estab- lishment Loan Corporation.....	21,500,000	19,700,000		1,800,000
The Municipal Works Assistance Act.....	50,000,000	45,073,343		4,926,657
Loans for Hospital Construction and Capital Financial Assistance.	21,612,000	21,808,431	196,431	
The Hydro-Electric Power Com- mission of Ontario.....	123,453,000	125,150,000	1,697,000	
Nuclear Powered Generating Station.....	5,500,000	7,497,534	1,997,534	
Ontario Development Corporation	2,373,000	1,126,600		1,246,400
Ontario Northland Transportation Commission.....	700,000	700,000		
Other.....	5,353,000	7,126,670	1,773,670	
	<u>582,061,000</u>	<u>559,049,809</u>	<u>7,403,435</u>	<u>30,414,626</u>
Payments from Special Funds:				
Redemptions of Vacation-with-Pay Stamps.....	14,000,000	14,195,690	195,690	
Public Service Superannuation Fund.....	16,760,000	17,529,837	769,837	
Motor Vehicle Accident Claims Fund.....	6,165,000	6,451,248	286,248	
Ontario Hospital Services Commis- sion—Special Account.....	12,000,000	12,000,000		
Ontario Municipal Employees' Retirement Fund.....	5,175,000	5,175,000		
Other.....	573,000	5,026,750	4,453,750	
	<u>54,673,000</u>	<u>60,378,525</u>	<u>5,705,525</u>	
Miscellaneous.....	132,000	13,948		118,052
Total Disbursements and Charges.	<u>\$636,866,000</u>	<u>\$619,442,282</u>	<u>\$13,108,960</u>	<u>\$30,532,678</u>
Surplus on Non-Budgetary Transactions.....	<u>\$139,756,000</u>	<u>\$171,293,902</u>	<u>\$15,403,199</u>	<u>\$16,134,703</u>

*8 months' actual—4 months' forecast.

TREASURY BOARD ORDERS

STATEMENT OF TREASURY BOARD ORDERS ISSUED FOR THE
AUTHORIZATION OF EXPENDITURES IN EXCESS OF APPROPRIATIONS
DURING THE FISCAL YEAR ENDED MARCH 31, 1968

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	ORDINARY		
	Department of Agriculture and Food		
	Main Office:		
April 3, 1968	Salaries.....	13,000.00	11,151.53
Aug. 30, 1967	Maintenance.....	276,000.00	263,050.53
June 28, 1967	Grant—Ottawa Winter Fair.....	5,000.00	5,000.00
	Information Branch:		
Mar. 27, 1968	Salaries.....	7,500.00	7,170.56
Mar. 13, 1968	Maintenance.....	50,000.00	46,524.89
	Finance and Administration Division:		
	Salaries:		
Nov. 1, 1967	Order.....\$ 10,500.00		
Feb. 28, 1968	Order.....30,000.00		
		40,500.00	38,756.51
Aug. 30, 1967	Travelling expenses.....	30,000.00	18,478.16
	Maintenance.....	30,000.00	25,021.54
Feb. 28, 1968	Workmen's Compensation Board—awards and costs.....	6,000.00	4,143.89
Feb. 28, 1968	Removal expenses of officials.....	10,000.00	8,651.18
	Agricultural and Horticultural Societies Branch:		
Jan. 10, 1968	Grants to Agricultural Societies.....	115,000.00	112,856.76
	Grants under The Community Centres Act:		
Oct. 4, 1967	Order.....\$300,000.00		
Jan. 10, 1968	Order.....200,000.00		
		500,000.00	498,142.61
	Agricultural Rehabilitation and Development Branch:		
Sept. 6, 1967	Salaries.....	52,000.00	13,589.92
Sept. 6, 1967	Maintenance.....	11,000.00	10,989.23
Mar. 20, 1968	Projects costs.....	1,100,000.00	909,202.61
	Crop Insurance Branch:		
Feb. 28, 1968	Allowances and expenses re The Crop Insurance Commission.....	2,000.00	1,699.43
	Extension Branch:		
Mar. 27, 1968	Salaries.....	98,000.00	95,693.77
Mar. 27, 1968	Travelling expenses.....	15,000.00	9,586.82
Mar. 27, 1968	Maintenance.....	29,000.00	28,964.32
	Home Economics Branch:		
Feb. 28, 1968	Travelling expenses.....	15,000.00	12,215.91
	Live Stock Branch:		
Mar. 27, 1968	Salaries.....	27,000.00	24,128.07
Feb. 28, 1968	The Warble Fly Control Act: Expenses and subsidies paid to municipalities..	2,000.00	1,066.72
	Ontario Junior Farmer Loan Branch:		
Mar. 27, 1968	Salaries.....	10,000.00	8,783.03

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Agriculture and Food —Continued		
Mar. 27, 1968	Soils and Crops Branch:		
	Salaries.....	14,000.00	12,752.74
Feb. 28, 1968	Common Barberry Eradication Program.....	25,000.00	6,447.42
	Dairy Branch:		
Mar. 27, 1968	Salaries.....	53,000.00	52,333.81
April 3, 1968	Maintenance.....	13,000.00	7,618.18
	Farm Products Inspection Branch:		
Feb. 28, 1968	Salaries.....	59,000.00	57,349.09
	Ontario Telephone Service Commission:		
Mar. 27, 1968	Salaries.....	4,500.00	4,081.80
	Veterinary Services Branch:		
Mar. 27, 1968	Salaries.....	40,000.00	38,034.13
Feb. 14, 1968	Travelling expenses.....	50,000.00	16,614.06
Mar. 27, 1968	The Brucellosis Act:		
	Expenses of vaccination and compensation payments.....	50,000.00	49,997.76
Feb. 28, 1968	Rabies Indemnity payments.....	13,000.00	9,206.00
	Farm Economics, Co-operatives and Statistics Branch:		
Feb. 28, 1968	Travelling expenses.....	3,500.00	3,399.11
	New Liskeard College of Agricultural Technology:		
Mar. 27, 1968	Salaries.....	5,000.00	4,910.20
	Horticultural Research Institute of Ontario, Vineland Station:		
Mar. 27, 1968	Salaries.....	19,000.00	17,788.34
Mar. 27, 1968	Maintenance.....	10,000.00	9,324.24
	Kemptville College of Agricultural Technology:		
Mar. 27, 1968	Salaries.....	20,000.00	15,791.55
	Ridgetown College of Agricultural Technology:		
Dec. 6, 1967	Salaries:		
	Order..... \$ 10,100.00		
Mar. 27, 1968	Order..... 15,000.00		
		25,100.00	23,616.95
	Agricultural Research Institute of Ontario:		
Mar. 20, 1968	Salaries:		
	Order..... \$ 7,500.00		
April 3, 1968	Order..... 1,000.00		
		8,500.00	8,176.23
		2,856,600.00	2,492,309.60
	Department of Attorney General		
	Administration and Finance Division:		
Feb. 28, 1968	Salaries.....	125,000.00	117,516.33
Feb. 14, 1968	Maintenance.....	15,000.00	14,983.83
Mar. 13, 1968	Unemployment Insurance.....	3,000.00	2,944.22
	Office of The Senior Crown Counsel:		
Nov. 15, 1967	General Litigation and Legal Services.....	13,000.00	12,550.07

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Attorney General—Continued		
	Criminal Law Division:		
Feb. 28, 1968	Salaries.....	200,000.00	187,865.20
Nov. 22, 1967	Travelling expenses.....	40,000.00	39,985.32
	Maintenance:		
Feb. 14, 1968	Order..... \$ 10,500.00		
April 3, 1968	Order..... 9,000.00		
		19,500.00	19,494.44
	Crown Counsel Prosecutions:		
Nov. 22, 1967	Order..... \$120,000.00		
April 3, 1968	Order..... 15,000.00		
		135,000.00	134,975.64
	Administration of Justice Division:		
	Salaries:		
Feb. 28, 1968	Order..... \$2,000,000.00		
April 3, 1968	Order..... 164,000.00		
		2,164,000.00	2,118,244.08
Mar. 13, 1968	Maintenance.....	101,000.00	100,937.11
	Administration of Justice—Counties and Cities:		
Nov. 22, 1967	Order..... \$ 25,000.00		
April 3, 1968	Order..... 14,000.00		
		39,000.00	38,398.71
Mar. 13, 1968	Administration of Justice—Districts.....	95,000.00	94,306.87
Nov. 22, 1967	Services of Children's Aid Societies and other Reporting Agents.....	120,000.00	118,004.90
Nov. 15, 1967	Contribution to Legal Aid Fund, Law Society of Upper Canada.....	1,890,000.00	1,890,000.00
	Public Safety Division:		
Feb. 28, 1968	Salaries.....	135,000.00	115,613.68
	Ontario Provincial Police:		
	Salaries:		
Mar. 6, 1968	Order..... \$1,800,000.00		
April 3, 1968	Order..... 50,000.00		
		1,850,000.00	1,838,604.75
	Maintenance:		
Mar. 6, 1968	Order..... \$300,000.00		
April 3, 1968	Order..... 50,000.00		
		350,000.00	334,621.55
Feb. 7, 1968	Mobile Equipment—Purchase and Maintenance.....	175,000.00	144,176.54
Nov. 1, 1967	Radio Communicating System.....	40,000.00	37,359.64
		7,509,500.00	7,360,582.88
	Department of Civil Service		
	Main Office:		
April 3, 1968	Salaries.....	10,500.00	10,388.30
	Recruitment and Examination:		
Sept. 27, 1967	Maintenance.....	13,000.00	6,720.25
Dec. 13, 1967	Publications and Advertising.....	52,000.00	45,912.92
	Training and Development:		
April 3, 1968	Salaries.....	1,000.00	600.16
April 3, 1968	Administrative Trainee Program.....	500.00	115.22
	Planning and Audit:		
Dec. 13, 1967	Travelling expenses.....	3,500.00	3,436.39
		80,500.00	67,173.24

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Economics and Development		
	Main Office:		
Mar. 13, 1968	Salaries.....	65,000.00	58,633.38
Feb. 14, 1968	Postage—entire department.....	10,000.00	9,968.82
Aug. 23, 1967	Grant to Ontario Research Foundation to be paid in amounts as may be authorized by the Minister	620,000.00	620,000.00
Mar. 13, 1968	Advertising, films, conferences, special services and publications arising therefrom.....	145,000.00	111,850.95
	Costs of participation in The Canadian Universal and International Exhibition of 1967:		
May 10, 1967	Order.....\$1,260,000.00		
Aug. 30, 1967	Order.....300,000.00		
Dec. 13, 1967	Order.....355,000.00	1,915,000.00	1,914,482.48
	Ontario Economic Council:		
Mar. 13, 1968	Salaries.....	6,000.00	1,195.37
	Ontario House:		
Mar. 13, 1968	Salaries.....	25,000.00	20,277.75
Feb. 14, 1968	Travelling expenses.....	10,000.00	817.13
Feb. 14, 1968	Maintenance including rent and rates, allowances and general operating expenses.....	*12,000.00	
	Trade and Industry Branch:		
	Salaries:		
Feb. 14, 1968	Order.....\$10,000.00		
Mar. 13, 1968	Order.....36,000.00		
		46,000.00	41,391.47
	Ontario Development Corporation:		
Mar. 13, 1968	Salaries.....	15,000.00	11,036.06
April 3, 1968	Travelling expenses.....	2,500.00	2,462.39
	Ontario Housing Corporation:		
Feb. 28, 1968	Subsidies in form of contribution to the Ontario Housing Corporation to finance its operation....	* 535,000.00	
Dec. 6, 1967	Grants to assist non-profit Limited Dividend Housing Companies and other groups constructing non-profit low rental housing accommodation for the physically handicapped and families of low income.....	38,000.00	37,130.08
		3,444,500.00	2,829,245.88
	Department of Education		
	Main Office:		
Jan. 17, 1968	Maintenance.....	67,000.00	63,993.67
	Departmental Business Administration Branch:		
April 3, 1968	Maintenance.....	19,500.00	19,177.43
Jan. 30, 1968	Litigation, legal services, etc.....	1,500.00	1,025.75
Mar. 27, 1968	Workmen's Compensation Board—awards and costs.....	2,000.00	1,932.84
	School Business Administration Branch:		
Feb. 21, 1968	Maintenance.....	23,500.00	22,190.97
	Education Data Centre:		
April 3, 1968	Salaries.....	4,000.00	2,955.15
Jan. 17, 1968	Maintenance.....	39,000.00	14,985.12

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Education—Continued		
	Information Branch:		
Mar. 20, 1968	Salaries.....	8,000.00	4,460.90
Feb. 28, 1968	Travelling expenses.....	1,000.00	710.22
Feb. 28, 1968	Maintenance.....	2,000.00	1,947.25
	Program Branch:		
April 3, 1968	Salaries.....	92,000.00	90,642.38
April 3, 1968	Travelling expenses.....	47,000.00	46,475.21
Nov. 22, 1967	Expenses of the Provincial Committee on the aims and objectives of Education in the Schools of Ontario.....	149,000.00	145,951.76
	Special Schools and Services Branch:		
April 3, 1968	Salaries.....	51,000.00	41,603.92
April 3, 1968	Camps—development and maintenance.....	16,000.00	14,756.53
	Federal-Provincial Agreements, etc.:		
Oct. 25, 1967	Various programs, services, expenses, etc.....	17,933,000.00	14,615,992.79
Nov. 1, 1967	To construct and equip additional vocational units for School Boards, etc.....	20,000,000.00	7,599,622.20
	Legislative Grants, etc.:		
Jan. 30, 1968	General Legislative Grants.....	34,700,000.00	34,699,195.62
	Miscellaneous Grants:		
	Miscellaneous (to be paid as may be directed by the Minister):		
June 28, 1967	Order.....	\$500,000.00	
Feb. 14, 1968	Order.....	140,000.00	
Mar. 27, 1968	Order.....	5,000.00	
April 24, 1968	Order.....	185,000.00	
		830,000.00	829,206.00
	Grants to Colleges of Applied Arts and Technology:		
July 26, 1967	Grants to Colleges of Applied Arts and Technology	8,481,000.00	8,481,000.00
		82,466,500.00	66,697,825.71
	Department of Energy and Resources Management		
	Main Office:		
Mar. 13, 1968	Salaries.....	17,000.00	15,507.94
	Maintenance:		
Sept. 27, 1967	Order.....	\$10,000.00	
Dec. 27, 1967	Order.....	7,000.00	
		17,000.00	14,236.15
	Special investigations and reports:		
Oct. 25, 1967	Order.....	\$ 2,500.00	
Mar. 6, 1968	Order.....	9,000.00	
		11,500.00	6,082.18
	Administrative Services Branch:		
Mar. 13, 1968	Travelling expenses.....	1,000.00	910.99
	Maintenance:		
Dec. 27, 1967	Order.....	\$19,500.00	
Feb. 28, 1968	Order.....	10,000.00	
		29,500.00	29,111.12

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Energy and Resources Management—Continued		
Mar. 13, 1968	Energy Branch:		
	Salaries.....	44,000.00	43,653.56
	Maintenance:		
Jan. 3, 1968	Order.....	\$ 6,000.00	
April 4, 1968	Order.....	10,000.00	
		16,000.00	13,537.97
Dec. 27, 1967	Ontario Energy Board:		
	Maintenance.....	4,500.00	294.64
	Conservation Authorities Branch:		
Mar. 13, 1968	Salaries.....	45,000.00	42,468.93
Mar. 13, 1968	Travelling expenses.....	6,000.00	5,838.68
Feb. 28, 1968	Grants to Conservation Authorities (The Conservation Authorities Act, R.S.O. 1960, Section 42, as amended 1961-62).....	14,500.00	9,741.19
	Ontario Water Resources Commission:		
April 3, 1968	Operations—Salaries.....	242,000.00	241,230.25
Feb. 14, 1968	Data Processing—Travelling expenses.....	1,000.00	99.16
		449,000.00	422,712.76
	Department of Financial and Commercial Affairs		
	Main Office:		
	Salaries:		
Feb. 21, 1968	Order.....	\$64,000.00	
April 24, 1968	Order.....	3,500.00	
		67,500.00	67,461.49
Dec. 27, 1967	Maintenance.....	32,000.00	31,944.58
Dec. 27, 1967	Ontario Securities Commission:		
	Maintenance.....	46,000.00	45,989.42
Mar. 20, 1968	Office of the Superintendent of Insurance:		
	Salaries.....	9,000.00	7,918.02
	Consumer Credit Division:		
	Salaries:		
Feb. 14, 1968	Order.....	\$17,500.00	
Mar. 20, 1968	Order.....	40,000.00	
		57,500.00	53,861.34
Feb. 14, 1968	Travelling expenses.....	6,000.00	3,364.08
Feb. 14, 1968	Maintenance.....	1,000.00	993.21
		219,000.00	211,532.14
	Department of Health		
April 3, 1968	Departmental Administration:		
	Committee on the Healing Arts—services and expenses.....	30,000.00	23,951.45
May 17, 1967	Grants—Canadian Red Cross Society.....	300,000.00	300,000.00
April 3, 1968	Financial and Administrative Services Division:		
	Maintenance.....	59,000.00	58,998.24

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Health—Continued		
April 3, 1968	Public Health Division: Outbreaks of Diseases, Sanitary Investigations, Control of Typhoid and Paratyphoid Fever, including compensation for Carriers, Health Education, free distribution of biological and other products for the prevention and cure of disease, and medical care in unorganized districts, services and expenses.	70,000.00	69,998.48
April 3, 1968	Tuberculosis Prevention Extension, including pneumothorax treatments, x-rays and medical supervision of prisons on chemo-therapy; free tuberculin and biologicals; and assistance to indigents from unorganized territory or without municipal residence including burial, etc.	14,000.00	13,359.71
Mar. 13, 1968	Mental Health Division—General Administration: Maintenance, including clothing for bailiffs.	7,000.00	6,999.31
Mar. 27, 1968	Hospital Schools: Salaries.	1,044,000.00	997,817.08
April 3, 1968	Maintenance.	300,000.00	288,217.19
Mar. 27, 1968	Mental Hospitals: Salaries.	2,989,000.00	2,869,972.80
Dec. 19, 1967	Medical Services Insurance Division: Salaries.	1,162,000.00	1,032,338.05
Dec. 14, 1967	Maintenance: Order. \$996,000.00		
April 3, 1968	Order. 321,000.00		
		1,317,000.00	1,286,746.42
		7,292,000.00	6,948,398.73
	Department of Highways		
Mar. 27, 1968	General Administration: Salaries.	75,000.00	53,512.49
Mar. 27, 1968	Operations—Head Office Administration: Salaries.	25,000.00	22,781.66
Mar. 27, 1968	Maintenance—King's Highways and Other Roads: Winter Maintenance: King's Highways and Secondary Highways (The Highway Improvement Act, Secs. 22, 33, 41, 42, 44, 94a (2) and 108). . . .	1,750,000.00	491,286.28
April 3, 1968	Municipal Subsidies (The Highway Improvement Act, Secs. 51, 55, 59, 60, 61, 67, 70, 71, 75, 76, 78, 79, 80, 83, The Municipality of Metropolitan Toronto Act, Section 78, and The Municipal Subsidies Adjustment Act, Section 1)	900,000.00	614,755.43
Oct. 25, 1967	Purchasing and Other Services: Equipment and Supplies: Order. \$150,000.00		
Mar. 13, 1968	Order. 45,000.00		
		195,000.00	194,550.38
Feb. 21, 1968	GO Transit—Maintenance: Salaries.	13,000.00	9,678.96
Dec. 13, 1967	Maintenance.	2,000,000.00	1,622,863.85
		4,958,000.00	3,009,429.05

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Labour		
	Main Office:		
Mar. 27, 1968	Salaries.....	30,000.00	25,020.34
Mar. 27, 1968	Maintenance.....	18,000.00	13,208.68
Mar. 6, 1968	Assistance to Amateur Sport.....	1,000.00	986.18
	Industrial Training Branch:		
Mar. 27, 1968	Maintenance.....	13,000.00	12,039.52
	Conciliation Services:		
Feb. 14, 1968	Salaries.....	24,500.00	21,007.85
Jan. 17, 1968	Maintenance.....	8,000.00	7,770.37
	Labour Standards Branch:		
Feb. 21, 1968	Salaries.....	45,000.00	27,496.17
Mar. 6, 1968	Bank Charges re Vacation-with-Pay Stamps.....	28,000.00	23,247.78
	Safety and Technical Services:		
Feb. 21, 1968	Salaries.....	275,000.00	230,385.12
	Human Rights Commission:		
Nov. 1, 1967	Salaries.....	16,500.00	15,002.31
Mar. 20, 1968	Maintenance.....	4,500.00	4,391.59
		463,500.00	380,555.91
	Department of Lands and Forests		
	Main Office:		
April 4, 1968	Maintenance.....	35,000.00	30,496.94
Jan. 17, 1968	Workmen's Compensation Board—awards and costs.....	65,000.00	58,330.37
Feb. 7, 1968	Unemployment Insurance.....	23,000.00	16,509.15
	Fish and Wildlife Branch:		
Mar. 27, 1968	Salaries.....	11,000.00	10,725.98
May 17, 1967	Grant to Jack Miner Migratory Bird Foundation Inc.....	4,600.00	4,561.27
Feb. 14, 1968	Grant to Ontario Waterfowl Research Foundation.....	5,000.00	5,000.00
April 4, 1968	Payments of Wolf Bounty.....	2,000.00	1,996.00
	Forest Protection Branch:		
Mar. 27, 1968	Salaries.....	2,000.00	71.10
	Parks Branch:		
Mar. 27, 1968	Salaries.....	8,000.00	5,644.67
	Research Branch:		
Mar. 27, 1968	Salaries.....	26,000.00	24,238.40
	Timber Branch:		
Mar. 27, 1968	Salaries.....	5,000.00	4,593.93
	Basic Organization—Field Services:		
Mar. 27, 1968	Salaries.....	500,000.00	318,337.43
Mar. 20, 1968	Maintenance and Operating.....	405,000.00	398,567.34
	Extra Fire Fighting:		
	Wages, expenses, maintenance and operating:		
Aug. 2, 1967	Order.....	\$400,000.00	
Sept. 27, 1967	Order.....	350,000.00	
Jan. 17, 1968	Order.....	100,000.00	
		850,000.00	849,811.04
Aug. 23, 1967	Forest fire suppression equipment.....	200,000.00	196,211.33
		2,141,600.00	1,925,094.95

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Mines		
	Main Office:		
	Salaries:		
Mar. 6, 1968	Order.....	\$ 9,000.00	
Mar. 27, 1968	Order.....	4,500.00	
		13,500.00	11,565.18
Mar. 27, 1968	Maintenance, including office machinery and furniture for entire Department, except Sulphur Fumes Arbitrator.....	80,000.00	72,635.32
	Mines Inspection Branch:		
	Salaries:		
Mar. 6, 1968	Order.....	\$31,500.00	
Mar. 27, 1968	Order.....	4,000.00	
		35,500.00	34,696.75
	Laboratories Branch:		
	Salaries:		
Mar. 6, 1968	Order.....	\$ 9,500.00	
Mar. 27, 1968	Order.....	11,000.00	
		20,500.00	19,829.19
	Mining Lands Branch:		
	Salaries:		
Mar. 6, 1968	Order.....	\$14,000.00	
Mar. 27, 1968	Order.....	4,500.00	
		18,500.00	17,690.73
Mar. 27, 1968	Travelling expenses.....	3,500.00	2,172.08
Mar. 27, 1968	Maintenance.....	20,500.00	17,441.31
		192,000.00	176,030.56
	Department of Municipal Affairs		
	Main Office:		
	Grants and expenses to encourage research and to develop new techniques in all areas of municipal affairs:		
Nov. 8, 1967	Order.....	\$ 2,500.00	
Feb. 21, 1968	Order.....	21,500.00	
		24,000.00	23,633.00
Mar. 20, 1968	Community Planning:		
	Travelling expenses.....	8,500.00	8,440.04
	Subsidies, Grants and Payments to Municipalities:		
Mar. 6, 1968	The Assessment Act.....	300,000.00	212,645.27
Feb. 7, 1968	The Municipal Tax Assistance Act—Payments in lieu of taxes for general municipal purposes on provincial property.....	125,000.00	52,829.98
Feb. 7, 1968	The Drainage Act—Grants and expenses for the drainage of agricultural land.....	450,000.00	449,434.77
Feb. 7, 1968	Grants for orderly development in unorganized territory.....	60,000.00	49,554.70
April 4, 1968	Aid for the payment of fox bounties.....	14,000.00	11,942.00
	Ontario Municipal Board:		
April 4, 1968	Travelling expenses.....	1,000.00	872.65
		982,500.00	809,352.41

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Prime Minister		
	Main Office:		
	Salaries:		
Feb. 28, 1968	Order.....	\$14,000.00	
April 3, 1968	Order.....	4,000.00	
		18,000.00	17,046.09
Feb. 28, 1968	Maintenance.....	5,000.00	4,993.13
		23,000.00	22,039.22
	Office of Provincial Auditor		
	Office of Provincial Auditor:		
Dec. 27, 1967	Salaries.....	60,000.00	52,876.85
	Department of Provincial Secretary and Citizenship		
	Main Office and General Departmental Expenses:		
April 3, 1968	Salaries.....	7,500.00	3,979.39
	Travelling expenses:		
Nov. 22, 1967	Order.....	\$ 2,500.00	
April 4, 1968	Order.....	1,000.00	
		3,500.00	3,374.35
	Government Hospitality Fund:		
July 26, 1967	Order.....	\$100,000.00	
Dec. 7, 1967	Order.....	70,000.00	
		170,000.00	167,629.39
	Citizenship Branch:		
Mar. 6, 1968	Salaries.....	15,000.00	14,983.65
Dec. 7, 1967	Travelling expenses.....	4,000.00	3,496.56
Mar. 6, 1968	Maintenance.....	32,000.00	29,365.46
Jan. 31, 1968	Teaching Costs.....	70,000.00	69,766.92
	Office of the Speaker:		
Mar. 27, 1968	Salaries.....	500.00	196.55
	Legislative Library:		
Mar. 6, 1968	Salaries.....	3,000.00	2,857.26
	Clerk of The Legislative Assembly and Chief Election Officer:		
April 3, 1968	Salaries.....	2,000.00	1,450.46
Mar. 6, 1968	Maintenance.....	1,500.00	1,485.59
	Sessional and Other Requirements:		
April 4, 1968	Clerks of Committees, Sergeant-at-arms, Messengers, Pages, Sessional Writers, Office, Secretarial, Research Services, etc.....	40,000.00	39,993.05
Mar. 27, 1968	Indemnities and Allowances to Members, including mileage.....	39,000.00	38,746.47
Mar. 27, 1968	Stationery, including printing paper, printing Bills, distribution of Statutes, printing and binding.....	35,000.00	33,945.74
	Committee Fees, etc.:		
Mar. 27, 1968	Order.....	\$ 1,000.00	
April 3, 1968	Order.....	4,500.00	
		5,500.00	5,223.15
Oct. 25, 1967	Legislative Art Purposes.....	2,000.00	1,675.00

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Provincial Secretary and Citizenship—Continued		
	Queen's Printer:		
Feb. 21, 1968	Salaries.....	5,000.00	4,795.43
Feb. 21, 1968	Ontario Gazette.....	20,000.00	19,991.94
	Post Office:		
	Postage and Maintenance:		
Feb. 21, 1968	Order.....\$50,000.00		
Mar. 27, 1968	Order.....25,000.00		
		75,000.00	74,661.38
		530,500.00	517,617.74
	Department of Public Works		
	Main Office:		
April 3, 1968	Salaries.....	6,500.00	4,520.58
Feb. 28, 1968	Maintenance.....	11,000.00	10,999.32
	Production of a co-ordinated exhibition in the Ontario Government Building, Canadian National Exhibition, Toronto; Central Canada Exhibition, Ottawa and Western Fair, London:		
Nov. 15, 1967	Order.....\$42,000.00		
Dec. 27, 1967	Order.....25,000.00		
		67,000.00	63,902.68
	Real Estate Branch:		
Feb. 28, 1968	Salaries.....	52,000.00	43,195.68
Nov. 15, 1967	Maintenance.....	41,000.00	40,870.34
Nov. 15, 1967	Leased Premises—Rentals and expenses in connection therewith.....	3,000,000.00	2,034,702.76
	Administration and Finance Division:		
Feb. 28, 1968	Salaries.....	55,000.00	32,504.26
April 3, 1968	Unemployment Insurance.....	2,000.00	1,320.04
	Architectural and Engineering Division—Administration and Maintenance:		
Feb. 28, 1968	Salaries.....	222,000.00	193,770.79
Oct. 25, 1967	Dredging.....	500.00	138.20
		3,457,000.00	2,425,924.65
	Department of Reform Institutions		
	Main Office:		
Mar. 27, 1968	Maintenance.....	35,000.00	28,025.50
	Parole and Rehabilitation Service:		
Mar. 6, 1968	Salaries.....	57,000.00	47,589.75
Mar. 6, 1968	Maintenance.....	3,000.00	2,743.24
Mar. 6, 1968	Allowances and expenses for Parole Board.....	2,000.00	1,233.80
Feb. 7, 1968	Rehabilitation assistance.....	15,000.00	14,984.37
	Institutions:		
Feb. 14, 1968	Salaries.....	3,517,000.00	3,115,900.07
Feb. 21, 1968	Grants to St. Joseph's School, Alfred, St. Euphrasia's School, Toronto, and St. John's School, Uxbridge.....	45,000.00	44,987.76
	Industrial Operations:		
Feb. 7, 1968	Salaries.....	70,000.00	59,511.21
		3,744,000.00	3,314,975.70

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Social and Family Services		
	Main Office:		
Dec. 27, 1967	Maintenance.....	14,000.00	13,633.88
Jan. 17, 1968	Miscellaneous Grants, (h) Social Planning Council of Hamilton and District.....	4,000.00	806.57
	Family Benefits Branch:		
Dec. 27, 1967	Maintenance.....	150,000.00	149,825.67
Mar. 13, 1968	Dental Services—Payments on behalf of certain beneficiaries in accordance with the regulations under The Family Benefits Act.....	16,000.00	14,090.50
Mar. 27, 1968	Medical Services—Payments to the Ontario Medical Services Insurance Division re Welfare recipients and beneficiaries.....	2,932,000.00	2,525,216.76
June 14, 1967	Assistance in accordance with The Old Age Assistance Act.....	2,351,000.00	1,875,362.40
Aug. 2, 1967	Allowances in accordance with The Blind Persons' Allowances Act.....	229,000.00	199,941.84
	Child Welfare Branch:		
Mar. 13, 1968	Subsidies on operation and maintenance costs in respect of certain institutions under The Charitable Institutions Act.....	162,000.00	161,996.20
Jan. 17, 1968	Expenditure in accordance with The Child Welfare Act.....	2,200,000.00	2,036,876.89
	Homes for the Aged Branch:		
Dec. 27, 1967	Maintenance.....	7,000.00	6,398.17
	Office on Aging:		
Mar. 6, 1968	Maintenance.....	1,500.00	973.32
	Municipal Welfare Administration Branch:		
Mar. 27, 1968	General Welfare Assistance (The General Welfare Assistance Act).....	2,700,000.00	2,697,779.07
	Vocational Rehabilitation Services Branch:		
Jan. 17, 1968	Maintenance.....	17,000.00	16,210.81
	Field Services Branch:		
Sept. 20, 1967	Maintenance.....	111,000.00	110,909.57
	Finance and Administration Division:		
Dec. 27, 1967	Maintenance.....	45,000.00	44,227.66
		10,939,500.00	9,854,249.31
	Department of Tourism and Information		
	Main Office:		
Mar. 20, 1968	Salaries.....	5,000.00	4,977.04
Mar. 20, 1968	Maintenance.....	2,000.00	1,600.93
	Administrative Branch:		
Mar. 20, 1968	Salaries.....	18,000.00	15,068.89
Feb. 28, 1968	Maintenance.....	14,600.00	14,504.27
	Centennial Planning:		
Sept. 6, 1967	Order.....\$101,000.00		
Sept. 20, 1967	Order.....230,000.00		
Feb. 14, 1968	Order.....47,000.00		
		378,000.00	377,927.03

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Tourism and Information —Continued		
	Information and Promotion Division:		
	Maintenance:		
Sept. 20, 1967	Order.....	\$ 50,000.00	
April 10, 1968	Order.....	21,000.00	
		71,000.00	67,292.12
Mar. 20, 1968	Publications.....	26,000.00	25,844.79
	Exhibits, displays and other information services, including rental of space, purchase of exhibits, travelling expenses:		
Feb. 28, 1968	Order.....	\$ 15,000.00	
Feb. 28, 1968	Order.....	22,000.00	
		37,000.00	31,066.26
Dec. 27, 1967	Tourist Industry Development Branch: Operation of Official Reception Centres and other information services, including purchases and rental of equipment, travelling expenses, tele- phone service, postage and other incidental ex- penses as authorized by the Minister.....	13,000.00	12,998.01
	Public Records and Archives:		
	Salaries:		
Feb. 28, 1968	Order.....	\$ 10,500.00	
Mar. 20, 1968	Order.....	7,000.00	
		17,500.00	16,206.25
Mar. 6, 1968	Maintenance.....	25,000.00	12,348.59
Feb. 14, 1968	Grants.....	3,000.00	2,736.61
Mar. 20, 1968	Theatres Branch: Salaries.....	12,000.00	10,080.48
	Travel Research Branch:		
Feb. 28, 1968	Salaries.....	7,000.00	2,212.70
Feb. 28, 1968	Travelling expenses.....	2,000.00	440.20
Feb. 28, 1968	Maintenance.....	1,000.00	551.48
	The St. Lawrence Parks Commission:		
	Administration:		
Mar. 13, 1968	Salaries.....	5,000.00	3,933.99
Dec. 27, 1967	Land Acquisition.....	9,000.00	6,467.33
July 26, 1967	Operation of Historic Sites: Purchase of saleable merchandise.....	63,000.00	62,842.21
	Construction and Development:		
May 24, 1967	Order.....	\$113,000.00	
Dec. 4, 1967	Order.....	48,500.00	
		161,500.00	143,069.04
	Operation of Parks:		
Dec. 4, 1967	Salaries.....	96,000.00	95,395.70
		966,600.00	907,563.92
	Department of Transport		
	Main Office:		
	Maintenance:		
Feb. 21, 1968	Order.....	\$ 5,000.00	
April 4, 1968	Order.....	1,000.00	
		6,000.00	5,998.38
April 4, 1968	Unemployment Insurance.....	1,500.00	192.50

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
Department of Transport—Continued			
	Ontario Highway Transport Board:		
	Salaries:		
Mar. 20, 1968	Order.....	\$ 10,000.00	
April 24, 1968	Order.....	1,500.00	
		11,500.00	10,959.15
Feb. 21, 1968	Maintenance.....	7,000.00	5,978.79
	Motor Vehicles Administration:		
Mar. 20, 1968	Salaries.....	450,000.00	421,764.45
April 4, 1968	Registration plates and supplies.....	75,000.00	57,856.19
Feb. 21, 1968	Legal, medical and witness fees, etc.....	6,000.00	797.85
	Motor Vehicle Accident Claims Fund:		
Mar. 20, 1968	Salaries.....	8,000.00	5,379.18
	Legal, medical and adjuster fees, etc.:		
Jan. 10, 1968	Order.....	\$175,000.00	
Mar. 20, 1968	Order.....	75,000.00	
		250,000.00	217,579.69
		815,000.00	726,506.18
Treasury Department			
	General Administration:		
Jan. 31, 1968	Salaries.....	27,500.00	27,261.54
April 4, 1968	Travelling expenses.....	2,000.00	1,291.19
	Maintenance:		
Oct. 4, 1967	Order.....	\$ 4,000.00	
Jan. 17, 1968	Order.....	6,000.00	
		10,000.00	9,965.72
	Expenses for special studies, etc.:		
June 14, 1967	Order.....	\$115,000.00	
Dec. 6, 1967	Order.....	120,000.00	
		235,000.00	221,113.60
April 4, 1968	Royal Commission on Civil Rights.....	35,000.00	34,430.18
	Accounts Division:		
April 10, 1968	Salaries.....	7,000.00	6,545.88
Mar. 27, 1968	Maintenance.....	24,000.00	23,993.70
April 10, 1968	Government contribution to Canada Pension Plan.....	415,000.00	311,393.67
	Administrative Division:		
Feb. 21, 1968	Maintenance.....	150,000.00	143,578.41
Feb. 21, 1968	Rental of equipment.....	30,000.00	17,948.92
	Finance Division:		
April 3, 1968	Salaries.....	2,000.00	701.70
	Office of Chief Economist:		
Nov. 22, 1967	Publication of reports, special studies and expenses in connection thereof.....	125,000.00	57,982.44
	Ontario Racing Commission:		
Feb. 21, 1968	Salaries and allowances.....	28,000.00	27,804.80
	Treasury Board Secretariat:		
	Maintenance:		
June 14, 1967	Order.....	\$ 26,500.00	
Jan. 10, 1968	Order.....	50,000.00	
		76,500.00	56,098.71
		1,167,000.00	940,110.50

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of University Affairs		
Mar. 6, 1968	Main Office: Committee on University Affairs	22,000.00	21,141.86
Mar. 6, 1968	Grants to Universities and Colleges:		
Aug. 23, 1967	Grants for Operating Costs	9,560,000.00	9,399,601.97
	Grant to the Ontario College of Art re building addition	125,000.00	31,899.94
Jan. 22, 1968	Student Awards: Ontario Student Awards Program	7,500,000.00	3,640,072.72
		17,207,000.00	13,092,716.49
	Total Ordinary Treasury Board Orders . . .	151,964,800.00	125,184,824.44

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	CAPITAL		
	Department of Economics and Development		
	Ontario Housing Corporation: Advances for projects under The Ontario Housing Corporation Act:		
Dec. 6, 1967	Order.....\$ 6,000,000.00		
Dec. 21, 1967	Order.....10,500,000.00	16,500,000.00	15,200,000.00
	Department of Highways		
	Construction and Other Capital Projects:		
Feb. 28, 1968	Construction—King's Highways and Secondary Highways (The Highway Improvement Act, Secs. 22, 41, 94 a(2), 100 and 108).....	10,500,000.00	6,406,717.60
	Planning and Design:		
Mar. 27, 1968	Salaries.....	581,000.00	579,394.90
Dec. 13, 1967	Consultants' fees.....	1,000,000.00	999,980.10
	Property Purchases and Related Services:		
Mar. 27, 1968	Salaries.....	95,000.00	62,747.40
Feb. 21, 1968	Travelling expenses.....	87,000.00	78,438.80
Feb. 21, 1968	Maintenance.....	50,000.00	47,349.60
	Property Purchases (The Highway Improvement Act, Secs. 11, 13, 108):		
Nov. 1, 1967	Order.....\$ 4,000,000.00		
Dec. 13, 1967	Order.....2,000,000.00	6,000,000.00	5,996,755.00
Mar. 27, 1968	Research and Sundry Engineering Services: Salaries.....	125,000.00	101,987.30
	GO Transit—Capital		
Aug. 30, 1967	Acquisition of land, construction of stations, purchase of equipment, signal systems, etc....	3,490,000.00	3,485,047.80
		21,928,000.00	17,758,418.90
	Department of Labour		
	Labour Standards Branch:		
	Payment of Claims re Vacation-with-Pay Stamps:		
Oct. 25, 1967	Order.....\$ 4,500,000.00		
Mar. 27, 1968	Order.....500,000.00	5,000,000.00	4,695,689.80
	Department of Lands and Forests		
	Parks Branch—Land Acquisition and Development:		
Jan. 30, 1968	Acquisition of land to provide for parks, recreational areas, public hunting and fishing areas, etc.; construction of buildings and other improvements.....	2,200,000.00	1,631,438.30

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Municipal Affairs		
Nov. 24, 1967	Main Office: Loans, grants and payments to provide services for townsites.....	2,290,000.00	1,922,538.64
	Department of Public Works		
	Real Estate Branch:		
Mar. 27, 1968	Salaries.....	10,000.00	3,740.62
Jan. 17, 1968	Maintenance.....	30,000.00	28,904.53
Aug. 16, 1967	Purchase of Land and Buildings, etc.....	4,000,000.00	3,167,159.27
	Purchasing Branch:		
Mar. 27, 1968	Salaries.....	12,000.00	7,140.80
	Architectural and Engineering Division— Public Buildings and Services:		
	Salaries:		
Mar. 6, 1968	Order.....\$ 70,000.00		
Mar. 27, 1968	Order.....15,000.00		
		85,000.00	73,752.96
Feb. 7, 1968	Maintenance.....	20,000.00	19,909.36
Feb. 14, 1968	Construction of Dams, Docks, Locks and Improvements to Flow Channels, etc.....	65,000.00	51,155.08
		4,222,000.00	3,351,762.62
	Total Capital Treasury Board Orders.....	52,140,000.00	44,559,848.49
	Total Treasury Board Orders.....	204,104,800.00	169,744,672.93

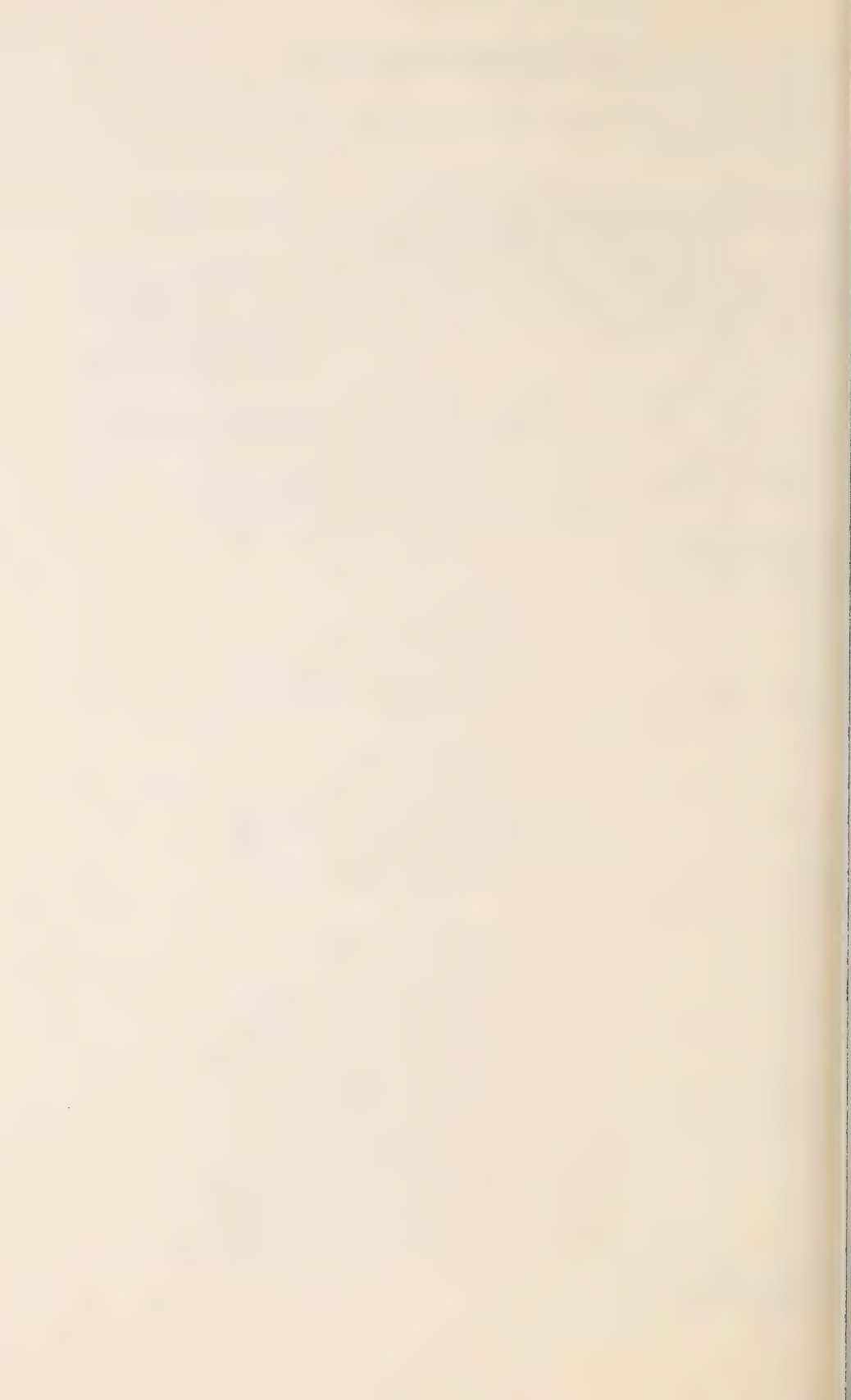
*Indicates funds used for temporary financing during the fiscal year.

SPECIAL WARRANTS

STATEMENT OF SPECIAL WARRANTS ISSUED DURING THE FISCAL YEAR ENDED MARCH 31, 1968

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	ORDINARY		
	Department of Agriculture and Food		
July 20, 1967	Paying expenses to operate the Centralia College of Agricultural Technology.....	550,000.00	524,848.52
Feb. 8, 1968	Reducing the cost suffered as a result of a storm which struck parts of the counties of Huron, Perth and Wellington on April 17, 1967.....	33,000.00	32,686.91
		583,000.00	557,535.43
	Department of Attorney General		
July 6, 1967	Providing financial assistance to the centre of criminology at the University of Toronto.....	65,500.00	65,500.00
	Department of Health		
Aug. 23, 1967	To assist the Board of the Brant Sanatorium in providing modern fireproof accommodation and facilities for the care and treatment of 42 profoundly mentally retarded children, now accommodated in two old wings which have proven unsatisfactory and inefficient for the purpose.....	40,000.00	35,381.00
	Department of Social and Family Services		
Aug. 10, 1967	Authorizing payment to the corporation known as The Vanier Institute of the Family for the purpose of assisting the said corporation in its work of gathering information, conducting research and studies into all aspects of family life.....	125,000.00	125,000.00
Sept. 28, 1967	Payments to the corporation known as Charity House (Windsor) for the purpose of acquiring and renovating premises in the City of Windsor for use as a hostel for homeless and transient persons....	14,859.60	14,859.60
Nov. 2, 1967	Payment to the Corporation of the Town of Little Current for the purpose of relieving each of the said municipalities in said column 1 of part of their share of the liability for the said debenture debt, the same portion of the said sum to be applied against the liability of each of the said municipalities as the portion of the debenture debt charged against that municipality in column 2 of the said schedule.....	15,000.00	15,000.00
		154,859.60	154,859.60

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
	Treasury Department	\$	\$
Aug. 23, 1967	Covering the unfunded liability for past service benefits for former Provincial employees transferred to the University of Guelph at September 1, 1965, with compound interest at $4\frac{1}{2}$ per cent per annum to August 31, 1967	2,777,367.93	2,777,367.93
Sept. 21, 1967	Providing funds for the Royal Commission on Coroners Inquests	100,000.00	49,678.51
		2,877,367.93	2,827,046.44
	Total Special Warrants	3,720,727.53	3,640,322.47



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**PROVINCIAL
AUDITOR'S
REPORT**
1968-69

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



TORONTO
PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER
1969

PROVINCIAL AUDITOR'S REPORT

1968-69

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO
SESSIONAL PAPER No. 3, 1970



ONTARIO

TORONTO
PRINTED AND PUBLISHED BY FRANK FOGG, QUEEN'S PRINTER
1969

TO THE HONOURABLE WILLIAM ROSS MACDONALD, P.C., C.D., Q.C., LL.D.,
Lieutenant Governor of the Province of Ontario

MAY IT PLEASE YOUR HONOUR:

The undersigned has the honour to present to Your Honour the following report for the fiscal year ended March 31st, 1969, in accordance with the requirements of The Audit Act.

Respectfully submitted,

George H. Spence F.C.A.

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Provincial Auditor's Office,
Toronto, November 28, 1969.

REPORT OF THE PROVINCIAL AUDITOR TO THE
LEGISLATIVE ASSEMBLY OF ONTARIO FOR THE
FISCAL YEAR ENDED MARCH 31st, 1969, IN
ACCORDANCE WITH THE REQUIREMENTS OF
THE AUDIT ACT.

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REPORT OF THE PROVINCIAL AUDITOR

1968 - 1969

I have the honour to report to the Legislative Assembly on the examination and audit of the accounts of the Province of Ontario for the fiscal year ended March 31, 1969, in accordance with the requirements of section 20 of The Audit Act.

I have examined the Statement of Assets and Liabilities of the Province of Ontario as at March 31, 1969, the Statements of Revenue and Expenditure for the year ended on that date and other related statements, and have compared them with the books of account and financial records. I have obtained all the information and explanations I have required.

Subject to the qualifications in this report, in my opinion and according to the best of my information and the explanations given to me and as shown by the books of the Province, these financial statements are properly drawn up in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year so as to present fairly the financial position of the Province as at March 31, 1969, and the results of its operations for the year then ended.

BASIS OF ACCOUNTING

The accounts of the Province of Ontario have been kept on a cash basis as in previous years. This system of accounting provides effective control by the Legislature over public moneys. The Statement of Assets and Liabilities includes only those assets and liabilities which are deemed to affect Net Debt. Memorandum records of certain other assets and liabilities are maintained for internal control purposes.

OPERATIONS FOR 1968-69

The Honourable Charles S. MacNaughton, as Treasurer of Ontario, in his address to the Legislative Assembly of Ontario on March 12, 1968, presented budget forecasts for the fiscal year ended March 31, 1969. In his address to the Legislative Assembly of Ontario on March 4, 1969, he presented interim statements for the same fiscal year showing eight months' actual results plus four months' forecast.

The statements which follow compare the budget forecasts with the actual results for the year ended March 31, 1969. Comparative summaries of the interim statements (eight months' actual plus four months' forecast) and the actual results are appended to this report together with certain other statements and charts presenting information on the financial operations of the Province as detailed on pages 32-33. In each case the comparative budget and interim statements follow the format presented in the respective Budget Statement.

Differences of one dollar in amounts referred to in various parts of this report may occur as a result of stating all amounts in dollars.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET GENERAL
REVENUE FOR THE FISCAL YEAR APRIL 1, 1968 TO MARCH 31, 1969**

	BUDGET NET GENERAL REVENUE	ACTUAL NET GENERAL REVENUE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
Taxation:	\$	\$	\$	\$
Personal Income Tax Collection				
Agreement.....	650,000,000	620,475,685		29,524,315
Retail Sales Tax.....	475,000,000	485,587,553	10,587,553	
Corporations Tax.....	315,000,000	332,963,862	17,963,862	
Gasoline Tax.....	331,000,000	337,283,978	6,283,978	
Succession Duty.....	60,000,000	68,472,160	8,472,160	
Share of Federal Estate Tax...	21,000,000	21,677,000	677,000	
Motor Vehicle Fuel Tax.....	27,000,000	26,298,252		701,748
Tobacco Tax.....	55,500,000	54,219,588		1,280,412
Race Tracks Tax.....	17,500,000	18,999,125	1,499,125	
Mines Profits, Acreage, Gas ...	15,300,000	19,819,810	4,519,810	
Land Transfer Tax.....	12,500,000	12,566,633	66,633	
Hospitals Tax.....	11,000,000	10,439,520		560,480
Security Transfer Tax.....	5,000,000	7,373,894	2,373,894	
Logging Tax.....	1,500,000	1,444,040		55,960
Income Tax—Public Utilities...	4,800,000	5,462,996	662,996	
Other Taxation.....	4,400,000	4,504,523	104,523	
Total Tax Revenue.....	2,006,500,000	2,027,588,619	53,211,534	32,122,915
Other Revenue:				
Treasury and Economics				
Post-Secondary Education				
Adjustment Payment.....	73,000,000	117,296,000	44,296,000	
Water Power Rentals.....	8,400,000	8,242,804		157,196
Other.....	5,000,000	6,766,277	1,766,277	
Total Treasury and Economics Revenue (less Taxes and Other)	86,400,000	132,305,081	46,062,277	157,196
Liquor Control Board of				
Ontario.....	177,000,000	192,577,154	15,577,154	
Transport.....	130,000,000	132,542,973	2,542,973	
Lands and Forests (less Taxes).	32,400,000	32,024,788		375,212
Justice (less Taxes).....	30,800,000	40,179,188	9,379,188	
Education.....	4,900,000	1,848,403		3,051,597
Health.....	10,300,000	8,546,772		1,753,228
Provincial Secretary and				
Citizenship.....	3,800,000	4,495,726	695,726	
Highways (less Taxes).....	3,600,000	4,857,359	1,257,359	
Mines (less Taxes).....	1,500,000	1,993,462	493,462	
Agriculture and Food.....	1,500,000	1,566,535	66,535	
Labour (less Taxes).....	2,400,000	2,181,587		218,413
Other Departments.....	13,600,000	12,512,195		1,087,805
Total Other Revenue.....	498,200,000	567,631,223	76,074,674	6,643,451
Total Net General Revenue.....	2,504,700,000	2,595,219,842	129,286,208	38,766,366

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET GENERAL
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1968 TO MARCH 31, 1969**

	BUDGET NET GENERAL EXPENDITURE	ACTUAL NET GENERAL EXPENDITURE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
	\$	\$	\$	\$
Education.....	850,907,000	813,495,867		37,411,133
Highways.....	452,343,000	438,640,542		13,702,458
Health.....	332,615,000	366,876,451	34,261,451	
University Affairs.....	275,982,000	282,718,986	6,736,986	
Municipal Affairs.....	225,325,000	186,154,453		39,170,547
Social and Family Services.....	121,198,000	125,176,497	3,978,497	
Debt Transactions.....	120,803,000	111,293,401		9,509,599
Public Works.....	85,264,000	83,268,334		1,995,666
Justice.....	80,882,000	86,575,555	5,693,555	
Lands and Forests.....	57,335,000	58,719,540	1,384,540	
Treasury and Economics.....	37,864,000	40,404,409	2,540,409	
Agriculture and Food.....	46,062,000	42,762,925		3,299,075
Correctional Services.....	36,345,000	39,817,125	3,472,125	
Energy and Resources Manage- ment.....	18,137,000	21,814,601	3,677,601	
Trade and Development.....	14,234,000	13,627,537		606,463
Labour.....	13,179,000	12,279,701		899,299
Transport.....	12,042,000	12,013,307		28,693
Tourism and Information.....	10,814,000	11,447,295	633,295	
Revenue.....	9,934,000	9,503,814		430,186
Provincial Secretary and Citizen- ship.....	6,679,000	6,891,584	212,584	
Mines.....	4,795,000	5,106,427	311,427	
Financial and Commercial Affairs	3,048,000	3,178,136	130,136	
Civil Service.....	2,408,000	2,196,115		211,885
Provincial Auditor.....	800,000	849,537	49,537	
Prime Minister.....	325,000	357,431	32,431	
Lieutenant Governor.....	38,000	34,724		3,276
Total Net General Expenditure including Provision for Sinking Fund.....	2,819,358,000	2,775,204,294	63,114,574	107,268,280

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1968 TO MARCH 31, 1969**

	BUDGET NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO BUDGET INCREASE	DECREASE
	\$	\$	\$	\$
Receipts and Credits				
Proceeds of Non-Public Debenture Issues:				
Canada Pension Plan	400,000,000	411,993,000	11,993,000	
The Municipal Works Assistance Act	6,000,000	6,215,832	215,832	
Ontario Municipal Employees Retirement Fund	30,000,000	33,100,000	3,100,000	
Teachers' Superannuation Fund	60,000,000	73,000,000	13,000,000	
	496,000,000	524,308,832	28,308,832	
Debenture Issues on behalf of The Hydro-Electric Power Commission of Ontario		156,300,000	156,300,000	
Province of Ontario Savings Office Deposits (Net)		10,328,576	10,328,576	
Repayment of Loans and Advances:				
The Hydro-Electric Power Commission of Ontario	1,474,000	5,092,479	3,618,479	
The Municipal Works Assistance Act	6,300,000	6,506,694	206,694	
The Ontario Municipal Improvement Corporation	4,800,000	3,500,000		1,300,000
The Ontario Universities Capital Aid Corporation	4,925,000	4,869,123		55,877
The Ontario Education Capital Aid Corporation	11,150,000	14,316,307	3,166,307	
Ontario Development Corporation	5,819,000	1,874,245		3,944,755
Other	8,285,000	7,450,832		834,168
	42,753,000	43,609,680	6,991,480	6,134,800
Receipts of Special Funds:				
Sales of Vacation-with-Pay Stamps	14,500,000	9,467,004		5,032,996
Public Service Superannuation Fund	56,266,000	59,963,240	3,697,240	
Motor Vehicle Accident Claims Fund	9,100,000	7,945,807		1,154,193
Ontario Hospital Services Commission—Special Account	34,000,000	48,000,000	14,000,000	
Ontario Medical Insurance Plan—Premium Stabilization Account	6,000,000	868,667		5,131,333
Health Insurance Registration Board—Prepaid Premiums		6,751,809	6,751,809	
Ontario Municipal Employees Retirement Fund	6,600,000	10,222,117	3,622,117	
Other	694,000	1,024,611	330,611	
	127,160,000	144,243,255	28,401,777	11,318,522
Deferred Assets, etc.:				
Provision for Sinking Fund	39,000,000	39,000,000		
Other	1,559,000	52,643		1,506,357
	40,559,000	39,052,643		1,506,357
Total Receipts and Credits	706,472,000	917,842,986	230,330,665	18,959,679

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1968 TO MARCH 31, 1969
(Continued)**

	BUDGET NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO BUDGET INCREASE	DECREASE
	\$	\$	\$	\$
Disbursements and Charges				
Loans and Advances:				
The Ontario Municipal Improve- ment Corporation.....	3,000,000	2,660,000		340,000
Ontario Housing Corporation....	49,763,000	15,225,000		34,538,000
Ontario Student Housing Corpora- tion.....	12,611,000	150,000		12,461,000
The Ontario Universities Capital Aid Corporation.....	174,000,000	172,789,000		1,211,000
The Ontario Education Capital Aid Corporation.....	175,000,000	180,285,000	5,285,000	
Ontario Water Resources Com- mission.....	32,000,000	7,898,274		24,101,726
The Ontario Junior Farmer Estab- lishment Loan Corporation....	24,000,000	21,900,000		2,100,000
The Municipal Works Assistance Act.....	8,007,000	8,494,288	487,288	
Hospital Capital Financial Assis- tance.....	26,806,000	26,805,167		833
The Hydro-Electric Power Com- mission of Ontario re Nuclear Powered Generating Station...	9,650,000	19,096,991	9,446,991	
Ontario Development Corporation	15,480,000	4,405,797		11,074,203
The Hydro-Electric Power Com- mission of Ontario.....		156,300,000	156,300,000	
Other.....	6,887,000	6,537,031		349,969
	<u>537,204,000</u>	<u>622,546,548</u>	<u>171,519,279</u>	<u>86,176,731</u>
 Payments from Special Funds:				
Redemption of Vacation-with-Pay Stamps.....	14,500,000	10,738,552		3,761,448
Public Service Superannuation Fund.....	18,785,000	19,779,501	994,501	
Motor Vehicle Accident Claims Fund.....	6,482,000	7,218,635	736,635	
Ontario Hospital Services Com- mission—Special Account.....	1,000,000			1,000,000
Ontario Municipal Employees Retirement Fund.....	5,100,000	6,600,000	1,500,000	
Health Insurance Registration Board—Prepaid Premiums....		4,814,477	4,814,477	
Other.....	433,000	2,533,734	2,100,734	
	<u>46,300,000</u>	<u>51,684,899</u>	<u>10,146,347</u>	<u>4,761,448</u>
 Miscellaneous.....	<u>79,000</u>	<u>79,381</u>	<u>381</u>	
Total Disbursements and Charges....	<u>583,583,000</u>	<u>674,310,828</u>	<u>181,666,007</u>	<u>90,938,179</u>
 Surplus on Non-Budgetary Transactions.....	<u>122,889,000</u>	<u>243,532,158</u>	<u>48,664,658</u>	<u>71,978,500</u>

The estimated gross expenditure for the year, as shown on page 5 of the Estimates for the fiscal year ending March 31, 1969, was \$3,734,759,000. The actual gross expenditure was \$3,789,990,516, an increase of \$55,231,516 over the estimated amount.

The following statement summarizes the increases or decreases in actual gross expenditure relative to the total estimated gross expenditure.

**COMPARATIVE STATEMENT OF ESTIMATES AND ACTUAL GROSS
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1968 TO MARCH 31, 1969**

CLASSIFICATION	ESTIMATES	ACTUAL	ACTUAL TO ESTIMATES INCREASE	ESTIMATES DECREASE
	\$	\$	\$	\$
Ordinary—				
Voted.....	2,454,529,500	2,429,047,855		25,481,645
Statutory.....	291,064,500	296,232,937	5,168,437	
Special Warrants.....		132,526	132,526	
	<u>2,745,594,000</u>	<u>2,725,413,318</u>	<u>5,300,963</u>	<u>25,481,645</u>
Capital—				
Voted.....	554,678,000	471,114,065		83,563,935
Statutory.....	434,487,000	593,463,133	158,976,133	
	<u>989,165,000</u>	<u>1,064,577,198</u>	<u>158,976,133</u>	<u>83,563,935</u>
	<u>3,734,759,000</u>	<u>3,789,990,516</u>	<u>164,277,096</u>	<u>109,045,580</u>

**Summary of Net Increases or Decreases in Actual Gross
as Compared with Estimates of Gross Expenditure**

CLASSIFICATION	INCREASE	DECREASE
	\$	\$
Voted.....		109,045,580
Statutory.....	164,144,570	
Special Warrants.....	132,526	
	<u>164,277,096</u>	<u>109,045,580</u>

The net increases and decreases in actual gross as compared with estimates of gross expenditure are commented on under the classification of voted, statutory and special warrants as follows:

VOTED

Expenditure appropriations authorized by the Legislative Assembly and actual gross expenditure are summarized below:

	AUTHORIZED	ACTUAL	AUTHORIZED OVER ACTUAL
	\$	\$	\$
Ordinary Account.....	2,454,529,500	2,429,047,855	25,481,645
Capital Account.....	554,678,000	471,114,065	83,563,935
	<u>3,009,207,500</u>	<u>2,900,161,920</u>	<u>109,045,580</u>

The principal items accounting for the net under-expenditure were:

	UNDER	OVER
	\$	\$
Federal-Provincial Agreements—education.....	50,065,708	
Advances for housing projects.....	46,999,000	
Basic Shelter Tax Exemption.....	40,042,640	
Construction projects of the Ontario Water Resources Commission.....	24,101,726	
Construction and other capital projects—highways.....	11,645,726	
Ontario Hospital Services Commission.....		18,916,878
Assistance under The General Welfare Assistance Act.....		14,152,784
Grants for operating costs—universities and colleges.....		11,564,702
Legislative Grants.....		10,662,824
Share of costs of nuclear powered generating station.....		9,446,991

In all cases where the actual expenditure exceeded the original appropriation, the necessary authority was obtained by Treasury Board Order before the accounts were approved for payment.

Treasury Board Orders authorized and the expenditures relating thereto, shown in detail on pages 45-60 of this report, are summarized as follows:

	AUTHORIZED	EXPENDED	EXCESS OF AUTHORIZED OVER EXPENDED
	\$	\$	\$
Ordinary Account.....	111,529,100	105,980,844	5,548,256
Capital Account.....	21,200,000	18,265,317	2,934,683
	<u>132,729,100</u>	<u>124,246,161</u>	<u>8,482,939</u>

The expenditures of \$124,246,161 form part of the total gross expenditure of \$2,900,161,920 referred to above and are not in addition thereto. The main items accounting for the expenditures of \$124,246,161 were salaries \$22,792,378, Ontario Hospital Services Commission \$19,000,000, assistance under The General Welfare Assistance Act \$14,152,784, grants for operating costs—universities and colleges \$11,564,702, general legislative grants \$11,000,000 and share of costs of nuclear powered generating station \$9,446,991.

It will be noted from the amounts shown in the statement of gross expenditure that the Voted Actual Gross Expenditure (which includes expenditures under Treasury Board Orders) is less than the total of the related gross estimates. The same situation exists with respect to Net Voted Expenditure for the current year. Net Voted Expenditure for the past ten years is shown in graphic form on pages 38-39 of this report.

STATUTORY

The Estimates for statutory gross expenditure and the actual statutory gross expenditure, excluding capital debt transactions, are summarized as follows:

	ESTIMATES	ACTUAL	ACTUAL OVER ESTIMATES
	\$	\$	\$
Ordinary Account.....	291,064,500	296,232,937	5,168,437
Capital Account.....	434,487,000	593,463,133	158,976,133
	<u>725,551,500</u>	<u>889,696,070</u>	<u>164,144,570</u>

The main item accounting for the excess of \$164,144,570 was a total of \$156,300,000 advanced to The Hydro-Electric Power Commission of Ontario.

SPECIAL WARRANTS

During the year expenditures in the amount of \$132,526 were made under Special Warrants as authorized under subsection 1, section 29 of The Financial Administration Act.

Details of Special Warrants will be found on page 61 of this report.

PRINCIPAL ITEMS OF NET GENERAL REVENUE AND EXPENDITURE FOR THE FISCAL YEAR ENDED MARCH 31, 1969

An analysis of net general revenue and expenditure for the fiscal year ended March 31, 1969 showing percentages of each item to the total, classified by major categories, is presented in the following statements:

NET GENERAL REVENUE

	\$	%
Personal Income Tax.....	620,475,685	23.91
Retail Sales Tax.....	485,587,553	18.71
Gasoline Tax.....	337,283,978	13.00
Corporations Tax.....	332,963,862	12.83
Liquor Profits, Gallonage Fees, etc.....	192,577,154	7.42
Motor Vehicle Permits and Licenses, Fees, etc.....	132,542,973	5.11
Post-Secondary Education Adjustment Payment.....	117,296,000	4.52
Succession Duty.....	68,472,160	2.64
Tobacco Tax.....	54,219,588	2.09
Administration of Justice—Fees, Fines, etc.....	39,241,749	1.51
Motor Vehicle Fuel Tax.....	26,298,252	1.01
Share of Federal Estate Tax.....	21,677,000	.84
Mines Profits, Acreage and Gas Taxes.....	19,819,810	.76
Race Tracks Tax.....	18,999,125	.73
Timber—Stumpage Charges, etc.....	18,349,140	.71
Land Transfer Tax.....	12,566,633	.48
Hospitals Tax.....	10,439,520	.40
Other Revenue.....	86,409,660	3.33
	<u>2,595,219,842</u>	<u>100.00</u>

NET GENERAL EXPENDITURE

	\$	\$	%
Education—			
Department of Education.....	813,495,867		
Department of University Affairs.....	282,718,986		
		1,096,214,853	39.50
Highways—Construction, Maintenance, etc.....		438,640,542	15.81
Health Services.....		366,876,451	13.22
Municipal Services, Grants, etc.....		186,154,453	6.71
Social and Family Services.....		125,176,497	4.51
Debt Transactions—			
Interest, etc.....	72,293,401		
Provision for Sinking Fund.....	39,000,000		
		111,293,401	4.01
Law Enforcement, Administration of Justice, etc.....		86,575,555	3.12
Public Works—Construction, Maintenance, etc.....		83,268,334	3.00
Conservation of Forests, Fish and Wildlife.....		58,719,540	2.12
Agricultural Services, Grants, etc.....		42,762,925	1.54
Correctional Services.....		39,817,125	1.43
Employee Pensions, Insurance Plans, etc.....		32,015,047	1.15
Energy and Resources Management.....		21,814,601	.79
Other Expenditure.....		85,874,970	3.09
		2,775,204,294	100.00

A graphic presentation of the four major items of net general revenue and net general expenditure, shown on pages 34-37 of this report, compares these items for the five years ended March 31, 1969.

GENERAL

The total net general revenue of the Province for the year ended March 31, 1969 was \$2,595,219,842, an increase of \$448,348,659 over that for the year ended March 31, 1968. The total net general expenditure was \$2,775,204,294, an increase of \$478,585,059 over the corresponding amount of the previous year.

I refer hereunder to some of the larger items of revenue and expenditure and other matters relating to the operations for the year ended March 31, 1969.

Personal income tax, retail sales tax, gasoline tax, corporations tax, liquor control revenues, motor vehicle licenses and fees, and post-secondary education adjustment payment were the main sources of net general revenue, providing \$2,218,727,205 or approximately 85% of the total net general revenue of the Province. This is \$370,564,287 more than the amount collected from the same seven sources in the previous year. The balance of net general revenue of \$376,492,637 is the total from all other sources.

The main items of net general expenditure were the costs of education, highway construction and maintenance, health services, municipal services, grants, etc., social and family services and debt transactions, including provision for sinking fund. The expenditure for these items was \$2,324,356,197 or approximately 84% of the total net general expenditure for the year. The balance of net general expenditure of \$450,848,097 was the cost of all other operations for the year under review.

Post-secondary education adjustment payments in the amount of \$117,296,000 were received from the Government of Canada during the year, an increase of \$97,817,008 over the amount received in the previous fiscal year. These payments include an amount of \$35,385,000 relating to the 1967-68 fiscal year.

Education continues to be the most costly service provided by the Province. Expenditures by the Department of Education and the Department of University Affairs amounted to \$1,096,214,853 or 39.5% of the total net general expenditure for the year. This is an increase of \$188,841,136 over the expenditures for the previous year. In addition, the Province advanced capital funds to The Ontario Universities Capital Aid Corporation in the net amount of \$167,919,877 and to The Ontario Education Capital Aid Corporation in the net amount of \$165,968,693. These advances were made to enable these corporations to invest in debentures issued by colleges, universities, and municipalities for educational purposes.

Expenditures by the Department of Highways totalled \$438,640,542 for the year, an increase of \$15,614,270 over those of the previous year. These expenditures consisted of \$303,324,854 on construction, property purchases and other capital projects and \$135,315,688 on maintenance of highways and roads and other operating expenses.

Net general expenditure on health services by the Department of Health totalled \$366,876,451 for the year, an increase of \$52,640,514 over the amount expended the previous year. The main areas of expenditure were Ontario Hospital Services Commission \$139,929,052, Mental Health Division \$122,813,160 and Medical Services Insurance Division \$40,045,910. In addition, funds were advanced for hospital capital financial assistance in the net amount of \$24,286,084.

The above expenditures on health services include transfers to Deposit and Trust Accounts of \$48,000,000 for the account of the Ontario Hospital Services Commission and \$868,667 for the account of the Medical Services Insurance Division. These transfers, which represent the unexpended balances in Vote 809, Item 1, including funds of \$19,000,000 provided by Treasury Board Order, and Vote 807, Item 4, were authorized by Order in Council.

Net general expenditure by the Department of Municipal Affairs on municipal services, grants, etc. was \$186,154,453, an increase of \$116,724,269 over that of the previous year. The main item contributing to this increase was the expenditure of \$109,957,360 on the Basic Shelter Tax Exemption adopted this year.

The Department of Social and Family Services expended a net amount of \$125,176,497 during the year on its various programs. This is an increase of \$21,824,845 over the amount disbursed in the previous year.

Disbursements for investment in fixed assets, which are included in net general expenditure, were made during the year as follows:

	\$
Highways and Roads.....	296,236,799
Land and Buildings.....	49,433,067
General Works and Improvements.....	20,483,896
Provincial Parks.....	8,570,525
Rural Power Transmission Lines.....	1,050,000
	<u>375,774,287</u>

The Province contributed \$39,613,125 to the Teachers' Superannuation Fund in accordance with sections 23 and 24 of The Teachers' Superannuation Act and \$18,245,341 to the Public Service Superannuation Fund in accordance with section 8 of The Public Service Superannuation Act. In addition, payments were made to prevent any increase in the initial unfunded liability of each Fund as required by section 2 (12) of Ontario Regulation 103/66 under The Pension Benefits Act, 1965. The payments made were \$14,889,000 to the Teachers' Superannuation Fund and \$4,131,000 to the Public Service Superannuation Fund on the estimated initial unfunded liability at January 1, 1965 of \$330,861,000 and \$82,616,000 respectively.

The actuarial report on the financial condition of the Public Service Superannuation Fund dated July 9, 1969 indicated an unfunded liability or deficiency of \$125,017,000 in the Fund as at December 31, 1967. This deficit is made up of the initial unfunded liability at January 1, 1965 of \$82,616,000 referred to above and an experience deficiency of \$42,401,000 occurring in the period January 1, 1965 to December 31, 1967. This experience deficiency of \$42,401,000 must be liquidated within five years of its disclosure. The actuary has stated that, after adding effective interest at 5% to bring the deficiency to \$45,067,400 as of March 31, 1969, this requirement could be met by five annual payments of \$10,409,400 made as of March 31, 1970 to 1974 inclusive.

The report on the review of the Teachers' Superannuation Fund had not been received at the time of preparation of this report. In a letter dated August 18, 1969, the actuary advised that he was not in a position to make a firm estimate regarding the unfunded liability but indicated that it had probably increased to over \$400,000,000 by January 1, 1969.

During the year a repayment of \$212,927 was made to the Government of Canada under the terms of the Canada-Ontario Tax Rental Agreement, 1952-56. This amount represents the excess of actual over estimated succession duty credits, with interest thereon, allowed by the Federal Department of National Revenue during the year ended March 31, 1968 in connection with estates of persons who died during the five-year period from April 1, 1952 to March 31, 1957.

AUDIT OF REVENUE

A continuous post audit of the revenues of the Province is being maintained. Systematic examinations of the accounts of various Departments have been made during the year and included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as were considered necessary in the circumstances.

The Departments are directly responsible for the accuracy of revenue records, the efficiency of systems in operation, and the speed with which billings and assessments are made and collections effected. While, as Auditor, I am concerned with these factors, my prime interest is to examine the accounting systems and internal controls that are being maintained, and the extent of the internal audit function, if any, that is being performed in these areas. The information obtained as a result of these examinations is most important in

determining the reliability of the accounting process and, subject to the comments made below, enables me to be of the opinion that a proper accounting is being made of the revenues of the Province.

Reports on the various audits and examinations performed during the year have been submitted to the Ministers of the Departments concerned, and to the officials of Boards and Commissions where applicable. Recommendations and suggestions have been made, where necessary, for improvement in internal controls and in general efficiency of the accounting process. In all cases these recommendations and comments are followed up at subsequent visits to determine if the necessary corrective action has been taken. Any matter of sufficient importance that has not been acted upon within a reasonable time is the subject of comment in this Report.

Recommendations made in previous reports that had not been dealt with at the time of the most recent examination of the related accounts and other matters relating to the revenue of the Province are commented on as follows:

The report on the audit and examination of the Department of Public Works dated January 24, 1969 repeated certain recommendations and made others which are considered necessary for the effective control of incoming mail and funds contained therein, revenue from telephone commissions and miscellaneous agreements, stores, and the sale and purchase of real estate by the establishment of a complete inventory of property owned by the Department.

An audit of the revenue records, together with a review of certain other areas of responsibility, of the Whitby Psychiatric Hospital was made during the year. This was a comprehensive examination and the report thereon dated March 27, 1969 contained recommendations, suggestions and observations on the problems, weaknesses in systems and procedures, and actual shortcomings that existed at this institution.

The audit and examination of the records of the Horticultural Research Institute of Ontario, Vineland Station, carried out during the year, revealed cash shortages in various accounts. Further investigation of these shortages disclosed that amounts totalling \$4,209.69 had been misappropriated by the accountant during the period January 1, 1967 to September 30, 1968. On January 28, 1969, the Accountant pleaded guilty to a charge of theft over fifty dollars under section 280 (2) C.C.C. Restitution has been made in full.

The report on the audit of the Department of Education, dated April 23, 1969 contained numerous recommendations and comments, many of which were included in previous reports, regarding the accounting records and controls. The conclusion reached as a result of this examination was reported as follows:

"The individual Branches of the Department still appear to act in an autonomous manner in determining the nature of any records which they will keep. The lack of direction in this regard from one central source has resulted in deficiencies in the systems in operation and a general reduction in the controls over revenue.

It is again recommended that the Departmental Business Administration Branch be given complete authority to determine the type of accounting records to be maintained by each Branch and of the related forms and procedures necessary to adequately control the processing of Departmental revenues and expenditures. It should then be the function of this Branch to exercise a high degree of supervision over the continued use of these records and procedures to ensure that they are operated in a manner that will provide a full accounting of all Government funds.

The Internal Audit Section has not performed any verification of Branch records, but appears to have been mainly occupied with the audit of various institutes and schools or other duties. It is felt that this Section should now devote a major portion of its time to a progressive check on the operations of all Branches of the Department. A comprehensive audit program should be established for each Branch, and a record should be maintained showing the period under review, the audit verification performed, the results of these verifications, and the reports, if any, which have been submitted".

The audit and report thereon of the Ontario Housing Corporation for the year ended December 31, 1968 was not completed until September 12, 1969. Although this date is an improvement over the previous year, I am still concerned about the delay in closing the books and the submission of the statements for audit. It would appear that two factors contributing to this delay and the existing accounting problems are the increase in the number of projects under administration and the complexity of the related accounts. The present difficulties are likely to continue as new projects arise unless steps are taken to ensure that staff is made available to carry out efficiently the accounting requirements of the Corporation.

AUDIT OF EXPENDITURE

A continuous examination of the accounts of expenditure of public moneys out of the Consolidated Revenue Fund, whether held in trust or otherwise, has been made during the year in accordance with the provisions of The Audit Act.

Under authority granted to the Provincial Auditor in section 9 (3) of The Audit Act, certain expenditure vouchers were admitted as satisfactory after determining that they had been examined and certified correct by the Departments concerned and having regard to the character of the Departmental examination.

Under provisions of The Audit Act, no payment for expenditures from the Consolidated Revenue Fund can be made until the Provincial Auditor has satisfied himself that there is legislative authority for the payment, that there is a legislative appropriation sufficient to cover the proposed expenditure and that the payment is proper in all other respects.

During the year 101,316 requisitions for payment were received for pre-audit and 5441 of these were returned for various reasons, including errors in the amount payable, for the necessary corrective action. Closely related to the pre-audit of expenditures is the checking of claims under Federal-Provincia₁

shared cost agreements. A summary of changes in amounts of \$500 or over resulting from these examinations, and from revenue audits mentioned previously, is as follows:

	INCREASE	DECREASE
	\$	\$
Expenditure Requisitions.....	143,248	369,062
Claims.....	76,344	2,252
Revenue Audits.....	37,850	4,011

Requisitions and journal entries in the amount of \$2,727,546 submitted by the Departments to be charged to appropriations had to be returned to the Departments due to the lack of sufficient funds in the respective appropriations as follows:

DEPARTMENT	No.	AMOUNT
		\$
Correctional Services.....	3	7,648
Education.....	2	10,799
Health.....	12	945,872
Justice.....	12	41,152
Labour.....	1	605
Municipal Affairs.....	18	1,168,698
Provincial Secretary and Citizenship.....	1	4,223
Public Works.....	12	546,118
Revenue.....	1	1,376
Treasury and Economics.....	1	1,055
	63	2,727,546

The above amounts have been processed for payment upon receipt of additional funds through Treasury Board Orders or have been held by the Departments for payment from their 1969-70 appropriations.

STATEMENT OF ASSETS AND LIABILITIES

The Statement of Assets and Liabilities, which includes only those assets and liabilities which are deemed to affect Net Debt, is presented below.

PROVINCE OF ONTARIO STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 1969

ASSETS		\$
Cash.....		384,418,001
Temporary Investments.....		9,822,660
Advances to Commissions.....		889,443,067
Advances and Investments—Crown Corporations.....		1,197,203,730
Loans to Municipalities.....		169,975,969
Other Loans and Investments.....		112,817,843
Fixed Assets.....		1
Inactive Assets.....		4,347,558
Total Assets.....		2,768,028,829
Less: Reserve for Inactive Assets.....		4,300,954
Net Realizable Assets.....		2,763,727,875
Net Debt.....		1,591,459,193
		4,355,187,068

LIABILITIES

Demand Deposits with the Province of Ontario Savings Office.....	\$	102,428,592
Pension Funds.....		327,890,246
Deposit, Trust and Reserve Accounts.....		105,893,918
Stock and Debentures.....	\$	3,961,325,812
Less: Sinking Fund.....		142,351,500
		<u>3,818,974,312</u>
		<u>4,355,187,068</u>
Contingent Liabilities:		
Bonds, etc., Guaranteed by the Province.....		2,126,737,627

I report hereunder on certain of the assets and liabilities as shown on the statement of assets and liabilities of the Province as at March 31, 1969. This statement and supporting schedules are shown in the Public Accounts for 1968-69 on pages 6-9.

ASSETS

CASH—\$384,418,001

Time Deposits.....	\$	531,360,058
Bank Overdrafts.....		146,942,057
		<u>384,418,001</u>

Time deposit receipts were verified as at March 31, 1969 by letters of confirmation received direct from the banks concerned. The bank balances were confirmed by letters received direct from the depositaries and were checked to reconciliation statements prepared by officials of the Department of Treasury and Economics.

Cash on hand in the various branches of the Province of Ontario Savings Office was certified by the respective branch managers and the cash on deposit in chartered banks was confirmed by direct correspondence with the banks concerned. The balance of cash on hand and in banks of the Savings Office, after elimination of Ontario Government funds, was \$2,633,875. This balance was transferred at the year end to funds on deposit with the Treasurer of Ontario. The branches of the Savings Office were examined by Head Office inspectors during the year.

TEMPORARY INVESTMENTS—\$9,822,660

The Hydro-Electric Power Commission of Ontario (Par Value \$7,900,000)	\$	7,882,490
Province of Prince Edward Island (Par Value \$2,000,000).....		1,940,170
		<u>9,822,660</u>

Temporary investments were made under authority of section 20 of The Financial Administration Act to realize the maximum return on funds temporarily surplus to current requirements. The above securities, held for safekeeping by the Securities Branch of the Department of Treasury and Economics, were verified by actual count as at March 31, 1969.

ADVANCES TO COMMISSIONS—\$889,443,067

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—SECURED BY BONDS—\$691,626,000

Under the provisions of The Power Commission Act, \$156,300,000 from the issue of debentures of the Province of Ontario was advanced to The Hydro-Electric Power Commission of Ontario during the year. The Commission repaid \$3,618,000 on account of redemptions prior to maturity, leaving a balance of \$691,626,000 outstanding as at March 31, 1969.

As security for the advances, the Province holds bonds of the Commission for the same principal amount with the same interest rate and terms as the related Province of Ontario debentures. Bonds of the Commission in the amount of \$691,626,000, held for safekeeping in the Securities Branch of the Department of Treasury and Economics, were verified by actual count as at March 31, 1969.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—UNSECURED—\$36,232,670

	\$
General.....	2,596,090
Nuclear Powered Generating Station.....	33,636,580
	<u>36,232,670</u>

During the period from 1909 to 1934 funds borrowed by the Commission under authority of The Power Commission Act were, in some instances, obtained as part of the proceeds of certain Provincial debenture issues. As the related issue matures, the Commission repays the amount previously advanced and also pays its share of the interest and service charges of the Provincial issue concerned. During the year, a principal repayment of \$1,474,479 was received leaving a balance of \$2,596,090 outstanding in this account at March 31, 1969. Future annual repayments will liquidate this balance by the fiscal year ended March 31, 1972.

Advances in the amount of \$19,096,991 were made to the Commission during the year, representing the Province's share of the capital costs of a nuclear powered generating station at Pickering. The estimated capital cost of the first 2 units of this station has been revised from the original amount of \$270,000,000 to \$316,000,000 and under the terms of the agreement the Province's share of this cost will be approximately \$85,306,000. The agreement also provides for monthly repayments by the Commission of this share of the cost commencing at the "in-service" date of the station.

ONTARIO WATER RESOURCES COMMISSION—

ADVANCES—\$126,782,462

This Commission was created in 1956 to assist Ontario municipalities in dealing with their financial and physical problems relating to water resources, sewage and pollution. Projects undertaken must be self-supporting, earning sufficient revenue to cover operating costs, rentals, interest charges and debt retirement over a reasonable time.

This account was increased during the year by an amount of \$7,898,274, including net interest charges of \$984,621.

ONTARIO NORTHLAND TRANSPORTATION COMMISSION—

ADVANCES—\$34,707,935

These advances were made to the Commission to provide funds for construction and equipment. There was no change in the account during the year. A portion of the advances in the amount of \$30,207,935 is non-interest bearing as provided for by Order in Council dated April 22, 1936. The remaining advances of \$4,500,000 are of a current nature and bear interest at the rate of $7\frac{1}{2}\%$ per annum as at March 31, 1969.

THE CROP INSURANCE COMMISSION OF ONTARIO—

ADVANCES (NET)—\$94,000

This Commission was established in 1966 to administer plans of crop insurance and related activities in Ontario and generally to administer The Crop Insurance Act (Ontario), 1966 and the Regulations made thereunder.

The above amount represents the difference between an interest-free advance from the Treasurer of Ontario of \$134,000 and a deposit by the Commission with the Treasurer of Ontario of \$40,000. This deposit was made from funds held to meet future claims and earns interest at 5% per annum.

ADVANCES AND INVESTMENTS—CROWN CORPORATIONS—\$1,197,203,730

THE ONTARIO UNIVERSITIES CAPITAL AID CORPORATION—

ADVANCES—\$496,361,547

This Corporation was established in 1964 with the object of purchasing from colleges and universities bonds or debentures issued by them for capital construction projects that have ministerial approval.

The advances bear interest at $5\frac{1}{2}\%$ to $7\frac{1}{4}\%$ per annum and are repayable to the Province in the same amounts as the yearly instalments become due on the debentures purchased by the Corporation. During the year under review \$172,789,000 was advanced to the Corporation and \$4,869,123 was repaid, leaving net advances of \$167,919,877 for the year.

Funds for the payment of principal instalments and interest on debentures by the colleges and universities are provided through grants made by the Department of Education and the Department of University Affairs. For the year ended March 31, 1969 these grants totalled \$23,225,165, being comprised of \$18,356,042 interest and \$4,869,123 principal instalments.

The financial statements of the Corporation are shown in the Public Accounts for 1968-69 on page 73.

THE ONTARIO EDUCATION CAPITAL AID CORPORATION—

ADVANCES—\$492,061,713

The object of this Corporation, established in 1966, is to purchase from municipalities debentures issued by them for school board undertakings, public library purposes and grants to associations constituted for the promotion of the welfare and education of retarded children.

Advances of \$180,285,000 were made to the Corporation during the year and repayments of \$14,316,307 were received, leaving net advances of \$165,968,693 for the year. The interest paid on advances is equal to the net interest received by the Corporation from its investments and the rates are from $5\frac{1}{2}\%$ to $6\frac{3}{4}\%$ per annum.

The financial statements of the Corporation are shown in the Public Accounts for 1968-69 on pages 74-75.

ONTARIO HOUSING CORPORATION—

ADVANCES—\$88,572,026

Ontario Housing Corporation was established in 1964 to assume the responsibility of the Province relative to existing and future agreements under The Housing Development Act. All assets acquired under this Act were vested in the Corporation together with all rights of the Province under existing agreements.

The Corporation controls the development of all housing throughout the Province that is financed out of public funds and manages the various publicly-owned housing projects either directly or through Housing Authorities.

The Corporation also was charged with acquiring and administering certain dwelling units adjacent to the widened portions of Highway 401 and with the responsibility of moving certain houses acquired by the Department of Highways relative to the widening of Highway 27. For these purposes interest-free funds were provided by the Treasurer of Ontario.

Net advances of \$14,820,541 were made to the Corporation during the year leaving a balance of \$88,572,026 outstanding at March 31, 1969. This balance is made up of advances of \$85,897,026 to December 31, 1968 shown by the balance sheet of the Corporation and advances of \$2,675,000 made by the Treasurer of Ontario between January 1, 1969 and March 31, 1969.

The operations of the Corporation resulted in an excess of expenditure over revenue of \$5,028,765 for the year ended December 31, 1968. Funds to cover operating deficits are provided by the Province.

The financial statements of the Corporation for the year ended December 31, 1968 are shown in the Public Accounts for 1968-69 on pages 76-79.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN CORPORATION—

ADVANCES—\$88,400,000

This Corporation was incorporated in 1952 for the purpose of making loans to assist young qualified farmers in the establishment, development and operation of their farms.

The Province has paid the costs of administration and the Corporation has applied its revenue to the payment of interest on borrowed funds and amortization of discount on debentures. The interest charged on mortgage loans has not been sufficient to meet the cost of borrowed money and, therefore, the Corporation has operated at a deficit each year since 1958. The excess of expenditure over revenue for the current year was \$1,575,150, an increase of \$942,816 over that of the preceding year.

A reconciliation of the deficit of \$2,207,484 at March 31, 1969, as shown by the books of the Corporation, is as follows:

Accumulated deficit on operations to March 31, 1969.....	\$ 4,163,506
Less: Written off to Reserve for Farm Loans.....	1,010,431
Provided by Department of Agriculture and Food re 1965, 1966 and 1967 losses.....	945,591
	<u>1,956,022</u>
	<u>2,207,484</u>

During the year under review, additional advances of \$21,900,000 were made to assist in financing 1003 new loans. These new loans, after deducting 433 loans paid off, left 5613 loans outstanding at March 31, 1969. No confirmation of mortgage loans principal was obtained from the debtors concerned.

It was announced on February 13, 1969 that no further loans would be made under authority of The Junior Farmer Establishment Act. Any application received by the Board up to that date will be honoured and processed in the usual manner.

The financial statements of the Corporation are shown in the Public Accounts for 1968-69 on pages 80-81.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

ADVANCES—\$16,053,000

The Ontario Municipal Improvement Corporation was incorporated in 1950 for the purpose of purchasing debentures issued by Ontario municipalities and school boards for certain municipal works and school board undertakings.

The Corporation held, at March 31, 1969, debentures having a par value of \$41,935,496 and bearing interest at various rates from $3\frac{3}{4}\%$ to $8\frac{1}{2}\%$. The debentures are held for safekeeping by the Securities Branch of the Department of Treasury and Economics and were verified by actual count as at March 31, 1969.

Advances of \$2,660,000 were made and repayments of \$3,500,000 were received during the year by the Treasurer of Ontario, leaving net repayments of \$840,000 for the year.

Administrative expenses have been paid by the Province and the revenue of the Corporation has been applied to the payment of interest on borrowed funds. The excess of revenue over expenditure of \$659,851 for the year under review was transferred to a General Reserve Account bringing the balance in that account to \$7,898,899 at March 31, 1969.

The financial statements of the Corporation are shown in the Public Accounts for 1968-69 on pages 82-83.

ONTARIO DEVELOPMENT CORPORATION—

INVESTMENT—	\$7,000,000
ADVANCES—	2,676,552
	<hr/> \$9,676,552

This Corporation was established under The Ontario Development Corporation Act, 1966 with the objects of encouraging and assisting in the development and diversification of industry in Ontario.

The investment of \$7,000,000 is the cost of all 7000 shares, each with a par value of \$1,000, authorized and issued by the Corporation.

The advances of \$2,676,552 are non-interest bearing and were made under the Equalization of Industrial Opportunity Programme and for Centralia Industrial Park.

The main operations for the year resulted in an excess of income over expense of \$574,663, after including the contribution of \$791,000 by the Province to cover salary, travelling and maintenance expenses of the Corporation. The subsidiary operations at Centralia Industrial Park produced an operating surplus of \$9,176 for the year.

The financial statements of the Corporation are shown in the Public Accounts for 1968-69 on pages 84-87.

ONTARIO STUDENT HOUSING CORPORATION—

ADVANCES—\$3,183,892

This Corporation was established in 1966 under The Housing Development Act for the purpose of developing housing projects for students and their families.

Advances of \$150,000 were made to the Corporation during the year, leaving a balance of \$3,183,892 outstanding at March 31, 1969. This balance is made up of advances of \$3,033,892 to December 31, 1968 as shown by the

balance sheet of the Corporation and advances of \$150,000 made by the Treasurer of Ontario between January 1, 1969 and March 31, 1969.

The operations of the Corporation for the year ended December 31, 1968 resulted in an excess of expenditure over revenue of \$673,520. Funds to cover this operating deficit were provided by the Province.

The financial statements of the Corporation for the year ended December 31, 1968 are shown in the Public Accounts for 1968-69 on pages 88-89.

THE SHERIDAN PARK CORPORATION—

ADVANCES—\$2,895,000

The Sheridan Park Corporation was established in 1964 with the object of acquiring and developing land in a prescribed area for the purpose of research and ancillary services and generally for establishing a centralized research complex.

The total acreage of land available for sale did not change during the year but the book value, at cost, increased to \$2,558,873 due to the capitalization of various expenditures of \$457,828.

The financial statements of the Corporation are shown in the Public Accounts for 1968-69 on pages 90-91.

LOANS TO MUNICIPALITIES—\$169,975,969

Municipal Debentures or Notes—	\$
Town of Atikokan.....	23,500
Township of Elliot Lake.....	3,415,000
Town of Kapuskasing.....	1,614,495
Improvement District of Manitouwadge.....	562,900
The Municipality of Metropolitan Toronto.....	56,102,000
City of Windsor.....	609,497
The Municipal Works Assistance Act, 1963.....	94,744,243
Tile Drainage Debentures.....	12,904,334
	<u>169,975,969</u>

The amount of \$56,102,000 owing by The Municipality of Metropolitan Toronto at March 31, 1969 is the balance outstanding on debentures issued for subway purposes. Repayments totalling \$1,009,000 were received during the year.

Under authority of The Municipal Works Assistance Act, 1963, the Province of Ontario entered into an agreement with the Municipal Development and Loan Board, a board established under the Municipal Development and Loan Act, (Canada). The Board made loans to the Province, secured by Provincial debentures, to enable the Province to make loans to municipalities for certain municipal projects. This program was completed during the year.

Tile Drainage debentures are held in safekeeping by a chartered bank and were confirmed as at March 31, 1969 by a test examination. The various municipal debentures, held in safekeeping by the Securities Branch of the Department of Treasury and Economics, were confirmed by actual count as at March 31, 1969.

OTHER LOANS AND INVESTMENTS—\$112,817,843

THE PUBLIC HOSPITALS ACT—\$69,653,684

This amount represents advances to the Ontario Hospital Services Commission under authority of The Public Hospitals Act for the purpose of making loans and providing capital financial assistance to hospitals. During the year advances for capital financial assistance in the amount of \$26,805,167 were made and repayments of \$2,044,855 for loans and \$474,228 for capital financial assistance were received.

LIQUOR CONTROL BOARD OF ONTARIO—

INVESTMENT—\$25,074,515

The above amount is the Retained Income of the Board as at March 31, 1969 held to finance its operations. Details of this investment are shown in the Public Accounts for 1968-69 on page 58.

MISCELLANEOUS—\$18,089,644

	\$
Conservation Authorities—Recoverable Grants.....	1,269,897
Provincial Student-Aid Loans.....	2,936,031
Sandwich, Windsor and Amherstburg Railway Company—Bonds.....	2,550,000
The Co-operative Loans Act—Loans.....	3,037,308
The Municipal and School Tax Credit Assistance Act, 1967.....	679,966
The Sault Ste. Marie Bridge Act, 1960:	
International Bridge Authority of Michigan—Bonds.....	7,615,072
St. Mary's River Bridge Company—Shares.....	1,370
	<hr/> 18,089,644 <hr/>

The Sandwich, Windsor and Amherstburg Railway Company balance consists of 2% bonds in the amount of \$450,000 due June 30, 1969-77 and 3% bonds in the amount of \$2,100,000 due April 1, 1980. A special Sinking Fund to meet this latter maturity is held by the Treasurer of Ontario in Deposit and Trust Accounts. This Sinking Fund, on which interest is payable semi-annually, had accumulated to \$1,556,537 at March 31, 1969.

Reimbursements to municipalities for credits and refunds allowed in accordance with the provisions of The Municipal and School Tax Credit Assistance Act, 1967 amounted to \$371,746 during the year. Repayments of \$43,451 were received, leaving a balance of \$679,966 outstanding at March 31, 1969.

The International Bridge Authority of Michigan bonds with a par value of \$7,850,000 were acquired in 1960 at a cost of \$7,615,072. These bonds bear interest at the rate of 6% per annum but under the terms of the agreement interest is payable only as funds are available from operations. During the year a payment of \$40,001 was received from the Trustee on account of interest accruing in the amount of \$471,000 annually. The accumulated balance of interest remaining unpaid at September 1, 1968 was \$3,534,838.

Bonds of the Sandwich, Windsor and Amherstburg Railway Company, the International Bridge Authority of Michigan and shares of the St. Mary's River Bridge Company, held in safekeeping in the Securities Branch of the Department of Treasury and Economics, were confirmed by actual count as at March 31, 1969.

FIXED ASSETS—\$1

Expenditures on fixed assets are treated as general expenditures of each fiscal year and their value is shown in the statement of assets and liabilities at a nominal value of one dollar. The detailed records, which are maintained for internal control purposes, indicate the following investment as at March 31, 1969:

Highways and Roads—Capital Disbursements.....	\$		\$
Less: Capital Disbursements to March 31, 1939		3,448,481,838	
written off.....		295,077,372	
			3,153,404,466
Rural Power Transmission Lines—Bonus 1927-69.....		119,496,646	
Less: Bonus to March 31, 1939, written off.....		13,533,243	
			105,963,403
Land, Buildings, Public Works, etc.....			717,550,535
The Niagara Parks Commission—Equity (October 31, 1968).....			9,796,379
The St. Lawrence Parks Commission—Equity (March 31, 1969).....			11,448,895
Huronian Historical Parks—Equity (March 31, 1969).....			2,604,899
			4,000,768,577
Less: Amount written off.....			4,000,768,576
			<u>1</u>

INACTIVE ASSETS—\$4,347,558

Government of Canada.....	\$	4,300,955
Settlers' Loans.....		46,603
		<u>4,347,558</u>

The Government of Canada account consists of Debt Account \$2,848,290 and Common School Fund \$1,452,665.

Under the British North America Act, 1867 the Government of Canada assumed the debt of the old Province of Canada (Ontario and Quebec). Interest at the rate of 5% per annum was to be paid to the Government of Canada by Ontario and Quebec on any debt in excess of \$62,500,000. The excess debt was apportioned five-ninths to Ontario and four-ninths to Quebec.

For five and one-half years, from July 1, 1867 to January 1, 1873 the Government of Canada, when paying subsidy based on population, withheld interest at 5% per annum on the debt in excess of \$62,500,000. In the case of Ontario this amounted to \$291,667 annually and represented interest on \$5,833,333.

Under 36 Victoria, Cap. 30, 1873 the excess of debt of Ontario and Quebec was deemed to be property assumed by the Government of Canada. Commencing July 1, 1873 the Provinces of Ontario and Quebec received full subsidy based on population, free from any interest deduction for excess debt.

In 1884 under 47 Victoria, Cap. 4, an adjustment was made in the annual subsidy to compensate the Province of Ontario for the interest on the excess of debt which had been withheld during the five and one-half years from July 1, 1867 to January 1, 1873. The amounts withheld, together with interest to July 1, 1884 were, in effect, capitalized and on this amount of \$2,848,290 the Government of Canada pays Ontario interest at the rate of 5% per annum. This interest is paid semi-annually on January 1 and July 1 each year and has been received for the year ended March 31, 1969 in the amount of \$142,414.

The Common School Fund represents the present interest of Ontario in a permanent fund of \$2,677,771 held in trust by the Government of Canada for the Provinces of Ontario and Quebec. The fund is derived from the sale of Crown lands set aside for the benefit of common schools by statutes enacted before Confederation. The total has not changed since March 31, 1942. The Government of Canada pays interest to the Provinces on the principal sum at the rate of 5% per annum, payable semi-annually, in proportion to their respective populations as determined by the most recent decennial census. The present basis for allocation is the census of 1961. Interest in the amount of \$72,633 has been received for the year ended March 31, 1969.

During the year the balance of \$207,767 re Home Bank (In Liquidation) was written off against the Reserve for Inactive Assets as no further recovery on this account is anticipated.

Repayments on behalf of Settlers' Loans in the amount of \$384 were received during the year.

RESERVE FOR INACTIVE ASSETS—\$4,300,954

A reserve for the full amount of the Government of Canada account has been provided since the present agreement does not call for liquidation of the principal amount.

NET DEBT—\$1,591,459,193

The Net Debt of the Province increased by an amount of \$140,984,452 during the year. The factors accounting for this increase were a net increase of \$724,109,185 in stock and debentures, a net increase of \$91,251,657 in other borrowings less an increase of \$674,376,390 in Net Realizable Assets.

LIABILITIES

DEMAND DEPOSITS WITH THE PROVINCE OF ONTARIO SAVINGS OFFICE—

\$102,428,592

This amount is made up of current deposits of \$102,324,058 and unclaimed balances of \$104,534.

PENSION FUNDS—\$327,890,246

PUBLIC SERVICE SUPERANNUATION FUND—\$326,722,176

During the year under review there was a net increase in the Fund of \$40,183,738 consisting of receipts of \$59,963,240 less disbursements of \$19,779,502. A statement of the Fund is shown in the Public Accounts for 1968-69 on pages 60-61.

LEGISLATIVE ASSEMBLY RETIREMENT ALLOWANCES ACCOUNT—

\$1,168,070

This is the balance in the Account on deposit with the Treasurer of Ontario as at March 31, 1969. A statement of the Account is shown in the Public Accounts for 1968-69 on page 61.

DEPOSIT, TRUST AND RESERVE ACCOUNTS—\$105,893,918

DEPOSIT AND TRUST ACCOUNTS—\$102,441,884

A listing of the accounts making up this liability is shown in the Public Accounts for 1968-69 on page 62.

RESERVES—\$2,828,044

Details of the reserves are shown in the Public Accounts for 1968-69 on page 9.

A review made during the year of the various reserve accounts indicated that certain reserves were no longer required. Consequently, the following were transferred to revenue:

	\$
For Expanding Housing Operations.....	1,000,000
Northern Ontario Fire Relief Fund.....	13,552
Ontario Water Resources Commission—	
Capitalization of Prior Years' Ordinary Expenditure.....	20,775
	<u>1,034,327</u>

MISCELLANEOUS—\$623,990

This amount is the balance outstanding at March 31, 1969 on the mortgage assumed on acquisition of the property at 880 Bay Street, Toronto.

STOCK AND DEBENTURES—\$3,961,325,812

Less: Sinking Fund	142,351,500	
	<u> </u>	\$3,818,974,312

Stock and debentures outstanding at March 31, 1969 were held as follows:

	\$
In the hands of the Public.....	3,862,106,812
In the Sinking Fund of the Province.....	99,219,000
	<u>3,961,325,812</u>

During the year the Province issued stock and debentures in the amount of \$784,799,632 and redeemed debentures in the amount of \$60,690,447 for a net increase in funded debt of \$724,109,185 for the year. Details of stock and debentures outstanding at March 31, 1969 are shown in the Public Accounts for 1968-69 on pages 65-71. In stating the liability for issues domiciled outside Canada, no effect has been given to current fluctuations in rates of exchange.

A summary of Sinking Fund and its investments is shown in the Public Accounts for 1968-69 on page 72. The securities held for the Fund were verified by actual count.

The provision for Sinking Fund and the Fund itself were discontinued as of April 1, 1969. The Province of Ontario debentures held in the fund were cancelled and the other securities were retained as investments of the Province.

CONTINGENT LIABILITIES—\$2,126,737,627

	\$
Bonds, etc., guaranteed by the Province of Ontario.....	2,147,470,127
Less: Held in Sinking Fund.....	20,732,500
	<u>2,126,737,627</u>

Details of contingent liabilities are shown in the Public Accounts for 1968-69 on pages 92-94.

CHARTS AND STATEMENTS

Charts showing the trend in certain major items of Net General Revenue and Expenditure appear on pages 34-37 of this report. A chart showing comparisons between Estimated and Actual Net Ordinary Voted Expenditure for the ten years ended March 31, 1969 and a chart showing comparisons between Estimated and Actual Net Capital Voted Expenditure for the ten years ended March 31, 1969 are appended on pages 38-39.

The following statements for the fiscal year April 1, 1968 to March 31, 1969 will be found on pages 40-44.

Consolidated Revenue Fund

Comparative Statement of Interim and Actual Net General Revenue

Comparative Statement of Interim and Actual Net General Expenditure

Comparative Statement of Interim and Actual Non-Budgetary Transactions

Statements showing details of Treasury Board Orders issued for the authorization of expenditures in excess of appropriations and Special Warrants issued during the fiscal year ended March 31, 1969 are submitted in separate sections immediately following the statements referred to above.

I am very pleased to have this opportunity to acknowledge the willing co-operation and effective help of the officials and staff of the various Departments, Boards and Commissions during the conduct of the audit.

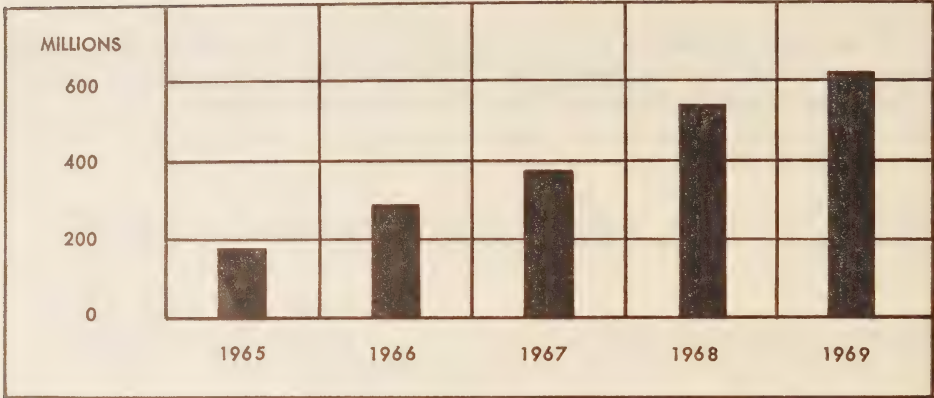
George H. Spence F.C.A.

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Toronto, November 28, 1969.

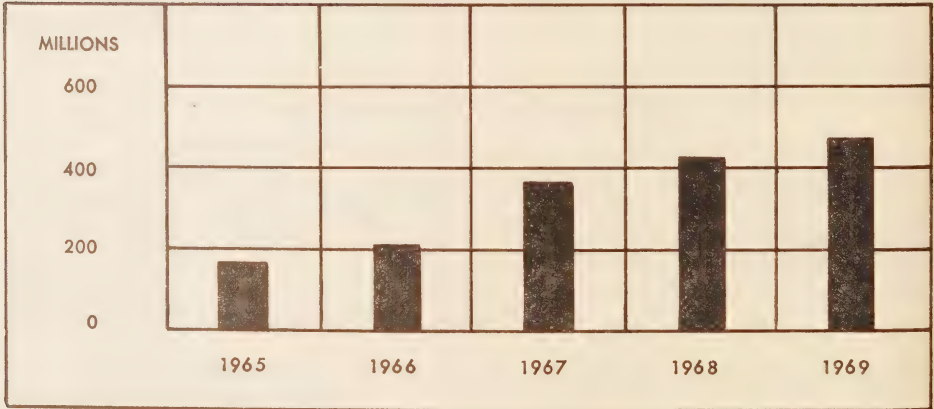
MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

PERSONAL INCOME TAX



YEAR ENDED MARCH 31	AMOUNT
1965	\$ 195,842,112
1966	292,403,842
1967	393,836,627
1968	551,003,573
1969	620,475,685

RETAIL SALES TAX

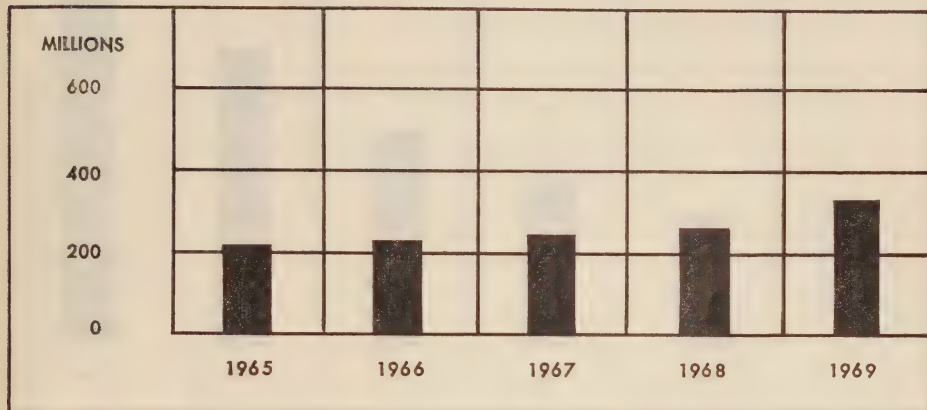


YEAR ENDED MARCH 31	AMOUNT
1965	\$ 195,298,715
1966	220,998,196
1967	385,574,600
1968	435,666,243
1969	485,587,553

GENERAL REVENUE

YEARS ENDED MARCH 31, 1969

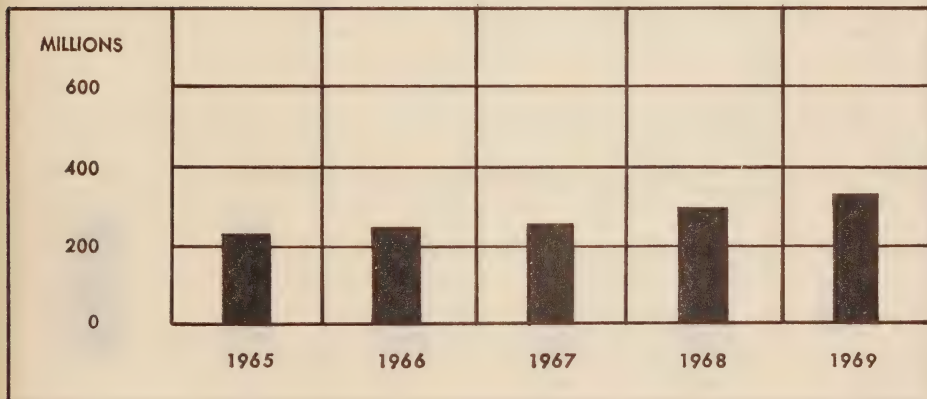
GASOLINE TAX

YEAR ENDED
MARCH 31

AMOUNT

1965	.....	\$ 221,188,555
1966	.....	236,829,198
1967	.....	266,391,391
1968	.....	283,220,886
1969	.....	337,283,978

CORPORATIONS TAX

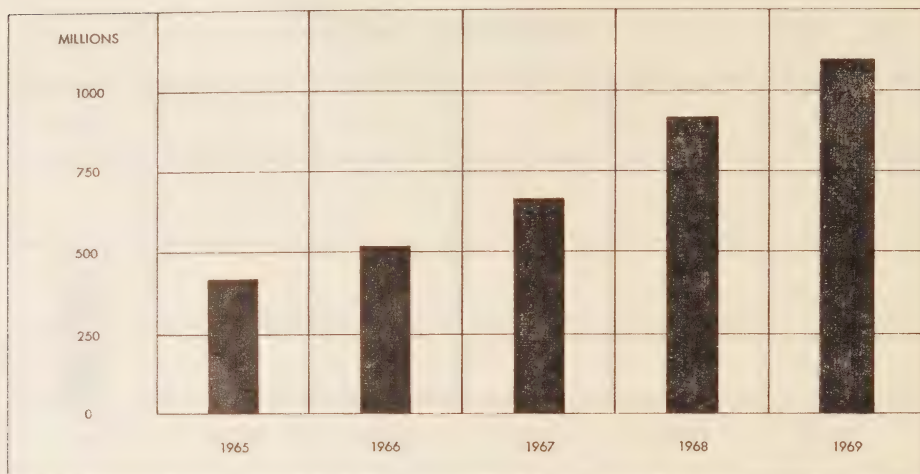
YEAR ENDED
MARCH 31

AMOUNT

1965	.....	\$ 232,543,374
1966	.....	252,375,741
1967	.....	274,499,829
1968	.....	302,272,738
1969	.....	332,963,862

MAJOR ITEMS OF NET COMPARED FOR THE FIVE

EDUCATION

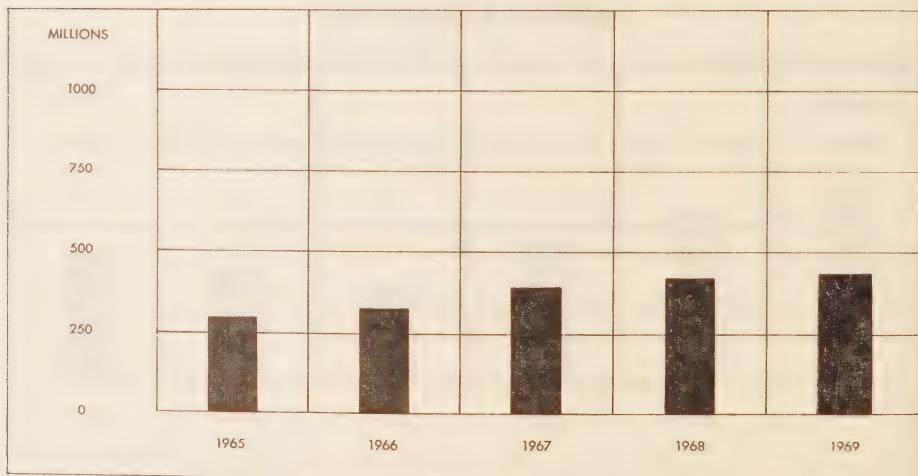


YEAR ENDED
MARCH 31

AMOUNT

1965	.....	\$ 417,086,004
1966	.....	513,104,150
1967	.....	660,114,577
1968	.....	907,373,717
1969	.....	1,096,214,853

HIGHWAYS — CONSTRUCTION, MAINTENANCE, Etc.



YEAR ENDED
MARCH 31

AMOUNT

1965	.....	\$ 299,036,127
1966	.....	336,146,806
1967	.....	390,567,594
1968	.....	423,026,272
1969	.....	438,640,542

GENERAL EXPENDITURE
YEARS ENDED MARCH 31, 1969

HEALTH SERVICES

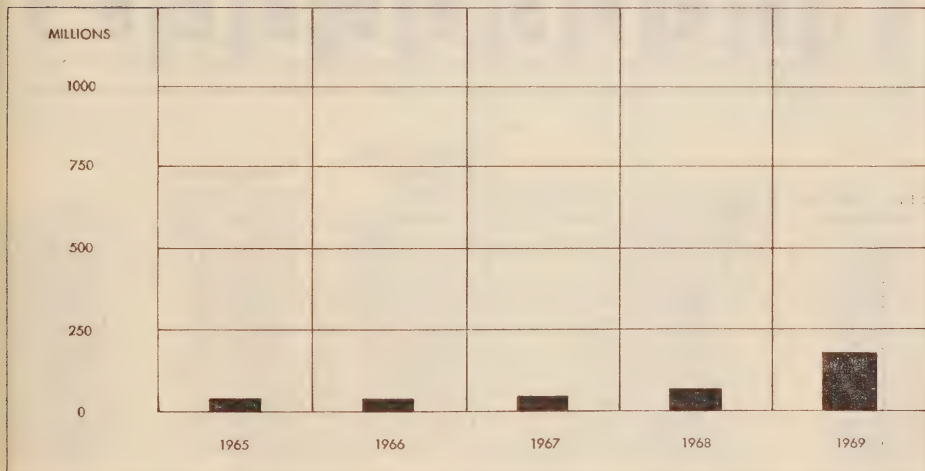


YEAR ENDED
MARCH 31

AMOUNT

1965	.....	\$ 154,601,128
1966	.....	164,044,765
1967	.....	213,241,515
1968	.....	314,235,937
1969	.....	366,876,451

MUNICIPAL SERVICES, GRANTS, Etc.

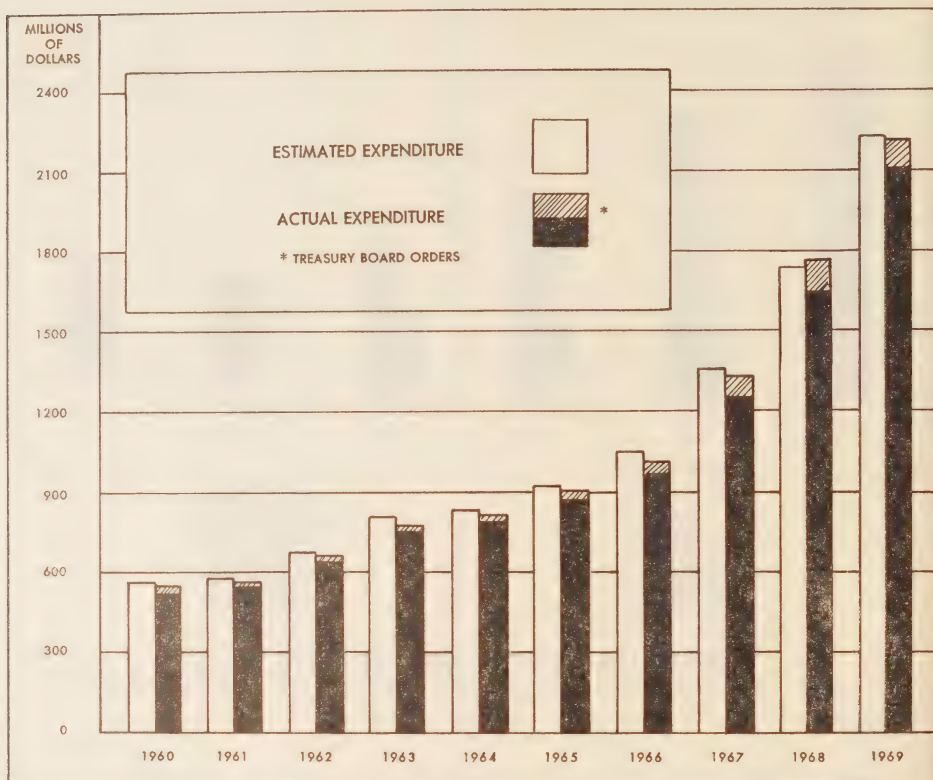


YEAR ENDED
MARCH 31

AMOUNT

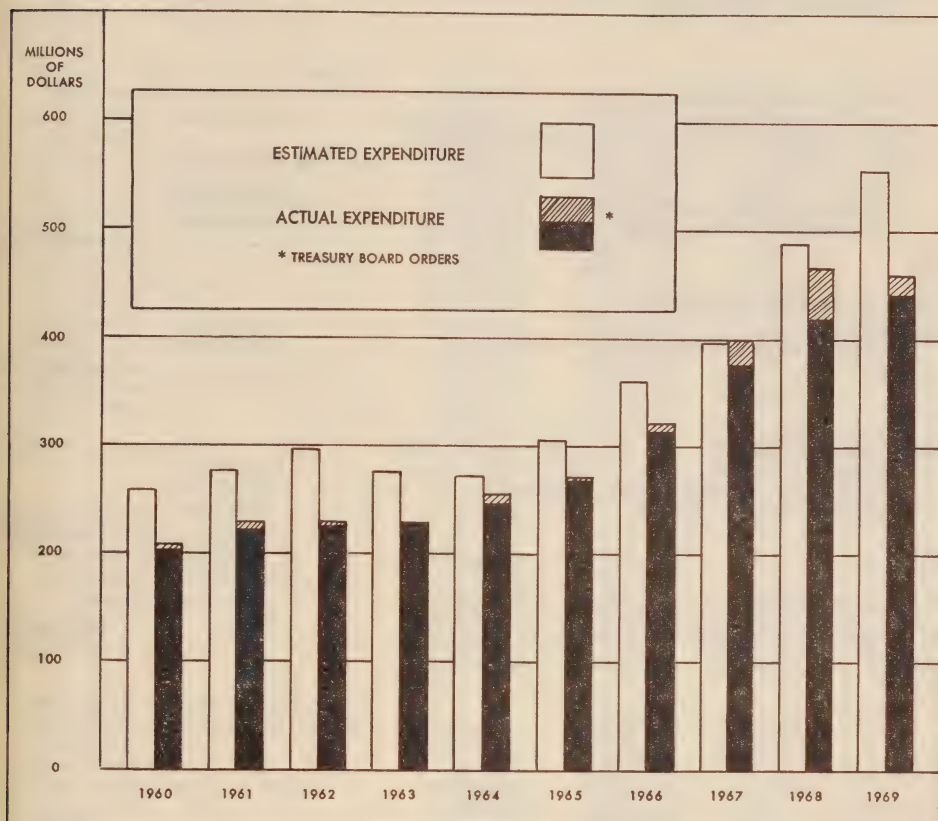
1965	.....	\$ 41,547,468
1966	.....	46,817,525
1967	.....	50,196,950
1968	.....	69,430,184
1969	.....	186,154,453

**ESTIMATED NET ORDINARY VOTED EXPENDITURE
COMPARED WITH ACTUAL NET ORDINARY VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1969**



YEAR ENDED MARCH 31	ESTIMATED NET ORDINARY VOTED EXPENDITURE	ACTUAL NET ORDINARY VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1960	\$ 561,796,000	\$ 535,551,563	\$ 6,385,557	\$ 541,937,120
1961	588,203,400	558,082,501	7,842,746	565,925,247
1962	687,030,500	649,736,213	10,573,093	660,309,306
1963	802,135,000	765,599,893	10,696,506	776,296,399
1964	834,456,000	789,664,393	18,103,088	807,767,481
1965	911,041,200	876,567,197	31,926,320	908,493,517
1966	1,057,151,600	1,009,034,002	41,561,165	1,050,595,167
1967	1,377,364,900	1,267,967,603	65,143,361	1,333,110,964
1968	1,726,773,400	1,639,136,474	125,184,824	1,764,321,298
1969	2,235,211,500	2,122,591,181	105,980,844	2,228,572,025

**ESTIMATED NET CAPITAL VOTED EXPENDITURE
COMPARED WITH ACTUAL NET CAPITAL VOTED EXPENDITURE
FOR THE TEN YEARS ENDED MARCH 31, 1969**



YEAR ENDED MARCH 31	ESTIMATED NET CAPITAL VOTED EXPENDITURE	ACTUAL NET CAPITAL VOTED EXPENDITURE	TREASURY BOARD ORDERS EXPENDITURE	TOTAL
1960	\$258,127,000	\$207,399,300	\$ 1,637,177	\$209,036,477
1961	275,600,000	225,839,595	4,880,319	230,719,914
1962	298,009,000	227,725,859	519,719	228,245,578
1963	275,392,000	229,084,116	.....	229,084,116
1964	273,375,000	248,303,551	7,558,276	255,861,827
1965	303,707,000	269,871,194	3,168,158	273,039,352
1966	353,177,000	316,824,579	4,765,412	321,589,991
1967	399,385,000	373,749,414	25,885,052	399,634,466
1968	485,019,000	415,036,908	44,559,849	459,596,757
1969	554,678,000	438,356,666	18,265,317	456,621,983

CONSOLIDATED REVENUE FUND
FOR FISCAL YEAR ENDED MARCH 31, 1969

OPENING BALANCE		\$	
Cash and Temporary Investments.....	299,263,140		
Uninvested Sinking Fund.....	941,963		
			\$ 300,205,103
BUDGETARY TRANSACTIONS			
Net General Revenue.....	2,595,219,842		
Net General Expenditure excluding Sinking Fund			
Provision.....	2,736,204,294		
Budgetary Deficit transferred to Net Debt.....	140,984,452		
Provision for Sinking Fund.....	39,000,000		
			179,984,452
NON-BUDGETARY TRANSACTIONS			
Receipts and Credits.....	237,234,153		
Disbursements and Charges.....	674,310,828		
			437,076,675
DEBT TRANSACTIONS			
Proceeds of Loans.....	789,799,632		
Net Change in Sinking Fund Investments.....	13,012,500		
Loans Matured or Retired.....	65,690,447		
			711,096,685
CLOSING BALANCE			
Cash and Temporary Investments.....			394,240,661

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET GENERAL
REVENUE FOR THE FISCAL YEAR APRIL 1, 1968 TO MARCH 31, 1969**

	INTERIM NET GENERAL REVENUE	ACTUAL NET GENERAL REVENUE	ACTUAL TO INTERIM INCREASE	DECREASE
	\$	\$	\$	\$
Taxation:				
Personal Income Tax Collection				
Agreement.....	598,000,000	620,475,685	22,475,685	
Retail Sales Tax.....	484,000,000	485,587,553	1,587,553	
Corporations Tax.....	325,000,000	332,963,862	7,963,862	
Gasoline Tax.....	340,000,000	337,283,978		2,716,022
Succession Duty.....	66,000,000	68,472,160	2,472,160	
Share of Federal Estate Tax.....	21,000,000	21,677,000	677,000	
Motor Vehicle Fuel Tax.....	26,000,000	26,298,252	298,252	
Tobacco Tax.....	54,000,000	54,219,588	219,588	
Race Tracks Tax.....	19,000,000	18,999,125		875
Mines Profits, Acreage, Gas.....	17,400,000	19,819,810	2,419,810	
Land Transfer Tax.....	12,500,000	12,566,633	66,633	
Hospitals Tax.....	10,500,000	10,439,520		60,480
Security Transfer Tax.....	7,000,000	7,373,894	373,894	
Logging Tax.....	1,500,000	1,444,040		55,960
Income Tax—Public Utilities.....	3,500,000	5,462,996	1,962,996	
Other Taxation.....	4,600,000	4,504,523		95,477
Total Tax Revenue.....	1,990,000,000	2,027,588,619	40,517,433	2,928,814
Other Revenue:				
Treasury and Economics				
Water Power Rentals.....	8,500,000	8,242,804		257,196
Post-Secondary Education Ad- justment Payment.....	83,000,000	117,296,000	34,296,000	
Other.....	5,000,000	6,766,277	1,766,277	
	96,500,000	132,305,081	36,062,277	257,196
Revenue (less Taxes and Other)				
Liquor Control Board of Ontario	189,000,000	192,577,154	3,577,154	
Transport.....	128,700,000	132,542,973	3,842,973	
Justice (less Taxes).....	41,700,000	40,179,188		1,520,812
Lands and Forests (less Taxes)....	31,600,000	32,024,788	424,788	
Education.....	3,600,000	1,848,403		1,751,597
Health.....	5,900,000	8,546,772	2,646,772	
University Affairs.....	7,300,000	320,802		6,979,198
Provincial Secretary and Citizen- ship.....	3,900,000	4,495,726	595,726	
Highways (less Taxes).....	4,400,000	4,857,359	457,359	
Labour (less Taxes).....	2,700,000	2,181,587		518,413
Agriculture and Food.....	1,600,000	1,566,535		33,465
Mines (less Taxes).....	1,700,000	1,993,462	293,462	
Other Departments.....	11,300,000	12,191,393	891,393	
Total Other Revenue.....	529,900,000	567,631,223	48,791,904	11,060,681
Total Net General Revenue.....	2,519,900,000	2,595,219,842	89,309,337	13,989,495

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET GENERAL
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1968 TO MARCH 31, 1969**

	INTERIM NET GENERAL EXPENDITURE	ACTUAL NET GENERAL EXPENDITURE	ACTUAL TO INTERIM	
	\$	\$	INCREASE	DECREASE
	\$	\$	\$	\$
Education.....	815,881,000	813,495,867		2,385,133
Highways.....	454,088,000	438,640,542		15,447,458
University Affairs.....	305,846,000	282,718,986		23,127,014
Health.....	368,034,000	366,876,451		1,157,549
Municipal Affairs.....	185,853,000	186,154,453	301,453	
Social and Family Services.....	119,252,000	125,176,497	5,924,497	
Debt Transactions—Interest.....	76,772,000	72,293,401		4,478,599
Justice.....	85,354,000	86,575,555	1,221,555	
Public Works.....	85,950,000	83,268,334		2,681,666
Lands and Forests.....	62,328,000	58,719,540		3,608,460
Agriculture and Food.....	44,514,000	42,762,925		1,751,075
Treasury and Economics.....	39,012,000	40,404,409	1,392,409	
Correctional Services.....	37,950,000	39,817,125	1,867,125	
Energy and Resources Management .	24,657,000	21,814,601		2,842,399
Trade and Development.....	15,169,000	13,627,537		1,541,463
Labour.....	13,776,000	12,279,701		1,496,299
Transport.....	12,008,000	12,013,307	5,307	
Tourism and Information.....	11,601,000	11,447,295		153,705
Revenue.....	9,629,000	9,503,814		125,186
Mines.....	5,343,000	5,106,427		236,573
Provincial Secretary and Citizenship.	7,023,000	6,891,584		131,416
Financial and Commercial Affairs ...	3,301,000	3,178,136		122,864
Civil Service.....	2,318,000	2,196,115		121,885
Provincial Auditor.....	842,000	849,537	7,537	
Prime Minister.....	338,000	357,431	19,431	
Lieutenant Governor.....	38,000	34,724		3,276
Total Net General Expenditure (ex- cluding Provision for Sinking Fund)	2,786,877,000	2,736,204,294	10,739,314	61,412,020

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1968 TO MARCH 31, 1969**

	INTERIM NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO INTERIM INCREASE	DECREASE
	\$	\$	\$	\$
Receipts and Credits				
Proceeds of Non-Public Debenture Issues:				
Canada Pension Plan.....	410,000,000	411,993,000	1,993,000	
The Municipal Works Assistance Act.....	6,200,000	6,215,832	15,832	
Ontario Municipal Employees Retirement Fund.....	33,100,000	33,100,000		
Teachers' Superannuation Fund...	73,000,000	73,000,000		
	<u>522,300,000</u>	<u>524,308,832</u>	<u>2,008,832</u>	
Debenture Issues on behalf of The Hydro-Electric Power Commission of Ontario.....	156,300,000	156,300,000		
Province of Ontario Savings Deposits (Net).....	15,000,000	10,328,576		4,671,424
Repayment of Loans and Advances:				
The Hydro-Electric Power Commission of Ontario.....	5,100,000	5,092,479		7,521
The Municipal Works Assistance Act.....	6,500,000	6,506,694	6,694	
The Ontario Municipal Improvement Corporation.....	3,500,000	3,500,000		
The Ontario Universities Capital Aid Corporation.....	4,800,000	4,869,123	69,123	
The Ontario Education Capital Aid Corporation.....	14,300,000	14,316,307	16,307	
Ontario Development Corporation..	2,400,000	1,874,245		525,755
Ontario Hospitals re Hospital Construction Loans.....	3,500,000	2,519,083		980,917
Other.....	4,700,000	4,931,749	231,749	
	<u>44,800,000</u>	<u>43,609,680</u>	<u>323,873</u>	<u>1,514,193</u>
Pension Funds, Deposit, Trust and Reserve Accounts:				
Sales of Vacation-with-Pay Stamps	9,500,000	9,467,004		32,996
Public Service Superannuation Fund	56,300,000	59,963,240	3,663,240	
Motor Vehicle Accident Claims Fund.....	8,100,000	7,945,807		154,193
Ontario Hospital Services Commission—Special Account for Premium Stabilization.....	38,000,000	48,000,000	10,000,000	
Ontario Medical Services Insurance Plan—Special Account for Premium Stabilization.....	3,200,000	868,667		2,331,333
Health Insurance Registration Board—Premiums Paid in Advance.....	11,000,000	6,751,809		4,248,191
Ontario Municipal Employees Retirement Fund.....	7,100,000	10,222,117	3,122,117	
Other.....	1,000,000	1,077,254	77,254	
	<u>134,200,000</u>	<u>144,295,898</u>	<u>16,862,611</u>	<u>6,766,713</u>
Total Receipts and Credits (excluding Provision for Sinking Fund).....	<u>872,600,000</u>	<u>878,842,986</u>	<u>19,195,316</u>	<u>12,952,330</u>

*8 months' actual—4 months' forecast.

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1968 TO MARCH 31, 1969
(Continued)**

	INTERIM NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO INTERIM INCREASE	DECREASE
	\$	\$	\$	\$
Disbursements and Charges				
Loans and Advances:				
The Ontario Municipal Improve- ment Corporation.....	3,000,000	2,660,000		340,000
Ontario Housing Corporation and Ontario Student Housing Cor- poration.....	19,400,000	15,375,000		4,025,000
The Ontario Universities Capital Aid Corporation.....	175,700,000	172,789,000		2,911,000
The Ontario Education Capital Aid Corporation.....	178,000,000	180,285,000	2,285,000	
Ontario Water Resources Commis- sion.....	11,000,000	7,898,274		3,101,726
The Ontario Junior Farmer Estab- lishment Loan Corporation.....	23,100,000	21,900,000		1,200,000
The Municipal Works Assistance Act.....	8,500,000	8,494,288		5,712
Hospital Capital Financial Assis- tance.....	26,800,000	26,805,167	5,167	
The Hydro-Electric Power Com- mission of Ontario.....	156,300,000	156,300,000		
The Hydro-Electric Power Com- mission of Ontario re Nuclear Powered Generating Station....	19,100,000	19,096,991		3,009
Ontario Development Corporation.	13,200,000	4,405,797		8,794,203
Tile Drainage Debentures.....	3,500,000	4,257,700	757,700	
Other.....	1,700,000	2,279,331	579,331	
	<u>639,300,000</u>	<u>622,546,548</u>	<u>3,627,198</u>	<u>20,380,650</u>
 Pension Funds, Deposit, Trust and Reserve Accounts:				
Redemption of Vacation-with-Pay Stamps.....	12,500,000	10,738,552		1,761,448
Public Service Superannuation Fund.....	19,300,000	19,779,501	479,501	
Motor Vehicle Accident Claims Fund.....	7,100,000	7,218,635	118,635	
Health Insurance Registration Board—Premiums Paid in Ad- vance.....	4,800,000	4,814,477	14,477	
Ontario Municipal Employees Re- tirement Fund.....	6,600,000	6,600,000		
Other.....	1,400,000	2,613,115	1,213,115	
	<u>51,700,000</u>	<u>51,764,280</u>	<u>1,825,728</u>	<u>1,761,448</u>
 Total Disbursements and Charges.....	<u>691,000,000</u>	<u>674,310,828</u>	<u>5,452,926</u>	<u>22,142,098</u>
 Surplus on Non-Budgetary Transactions	<u>181,600,000</u>	<u>204,532,158</u>	<u>13,742,390</u>	<u>9,189,768</u>

*8 months' actual—4 months' forecast.

TREASURY BOARD ORDERS

STATEMENT OF TREASURY BOARD ORDERS ISSUED FOR THE
AUTHORIZATION OF EXPENDITURES IN EXCESS OF APPROPRIATIONS
DURING THE FISCAL YEAR ENDED MARCH 31, 1969

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	ORDINARY		
	Department of Agriculture and Food		
	Departmental Administration:		
Mar. 19, 1969	Salaries.....	74,000.00	69,739.15
Mar. 19, 1969	Maintenance.....	125,000.00	62,566.30
	Finance and Administration Division:		
Mar. 19, 1969	Salaries.....	38,000.00	35,106.18
June 5, 1968	Automobile Insurance.....	3,000.00	2,622.50
Mar. 19, 1969	Unemployment Insurance.....	500.00	135.40
Mar. 19, 1969	Workmen's Compensation Board—awards and costs.....	7,500.00	6,645.93
	Production and Rural Development Division:		
Mar. 19, 1969	Salaries.....	150,000.00	137,408.32
April 16, 1969	Grants and achievement awards.....	77,500.00	77,022.61
Aug. 21, 1968	Subsidies on transportation of agricultural limestone.....	90,000.00	75,940.27
	Marketing and Special Services Division:		
Mar. 19, 1969	Salaries.....	195,000.00	181,095.37
	Grants and expenses re Trade Fairs, Exhibits, Missions, Promotions, Studies and Projects:		
June 3, 1968	Order.....\$ 35,000.00		
Jan. 6, 1969	Order.....75,000.00		
		110,000.00	79,999.03
Jan. 6, 1969	Rabies Indemnity payments.....	50,000.00	39,606.50
	Agricultural Education and Research Division:		
Mar. 19, 1969	Salaries.....	235,000.00	228,547.74
		1,155,500.00	996,435.30
	Department of Civil Service		
	Main Office:		
Mar. 12, 1969	Salaries.....	26,000.00	22,950.17
Mar. 12, 1969	Maintenance.....	1,500.00	1,486.63
	Recruitment:		
Mar. 12, 1969	Travelling expenses.....	1,500.00	1,480.92
Mar. 12, 1969	Maintenance.....	3,500.00	2,790.68
	Staff Development and Research:		
Dec. 12, 1968	Maintenance.....	43,000.00	36,633.39
	Administrative Services:		
Mar. 12, 1969	Salaries.....	15,000.00	12,812.68
Mar. 12, 1969	Maintenance.....	4,500.00	3,897.88
	Management Information Services:		
Mar. 12, 1969	Salaries.....	9,000.00	5,939.15
Mar. 12, 1969	Maintenance.....	2,000.00	387.50

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Civil Service—Continued		
	Ontario Joint Council, Civil Service Arbitration Board and Grievance Boards:		
Mar. 12, 1969	Salaries.....	2,000.00	1,296.97
Dec. 12, 1968	Honoraria.....	10,500.00	6,755.00
	Employee Services:		
Mar. 12, 1969	Salaries.....	5,000.00	3,143.26
Jan. 22, 1969	Travelling expenses.....	1,500.00	261.87
Jan. 22, 1969	Maintenance.....	500.00	109.55
		125,500.00	99,945.65
	Department of Correctional Services		
	Main Office:		
April 2, 1969	Salaries.....	29,000.00	28,501.08
Feb. 19, 1969	Unemployment Insurance.....	4,000.00	1,752.73
	Parole and Rehabilitation Service:		
Jan. 15, 1969	Allowances and expenses for Parole Board.....	2,500.00	1,962.31
Mar. 19, 1969	Rehabilitation assistance.....	8,000.00	7,984.43
	Institutions:		
Feb. 26, 1969	Salaries.....	3,540,000.00	2,978,010.61
Jan. 30, 1969	Grants to St. Joseph's School, Alfred, St. Euphrasia's School, Toronto and St. John's School, Uxbridge.....	286,000.00	285,959.50
	Industrial Operations:		
Feb. 26, 1969	Salaries.....	62,000.00	52,383.13
		3,931,500.00	3,356,553.79
	Department of Education		
	Departmental Business Administration Branch:		
Mar. 19, 1969	Salaries.....	60,000.00	59,339.62
Jan. 30, 1969	Workmen's Compensation Board—awards and costs.....	5,000.00	2,199.45
	Education Data Centre:		
Mar. 19, 1969	Rental of equipment.....	45,000.00	44,093.35
	Program Branch:		
	Expenses of the Provincial Committee on the Aims and Objectives of Education in the Schools of Ontario:		
Sept. 18, 1968	Order.....\$142,500.00		
April 2, 1969	Order.....78,000.00		
		220,500.00	211,432.92
	Committee on Religious Education in the Public Schools—services, travelling expenses, etc.:		
Oct. 8, 1968	Order.....\$ 28,000.00		
Mar. 19, 1969	Order.....22,000.00		
		50,000.00	41,234.21
	Teacher Education Branch:		
	Salaries:		
Mar. 19, 1969	Order.....\$370,000.00		
April 2, 1969	Order.....14,000.00		
		384,000.00	381,658.90
Mar. 26, 1969	Practice teaching expenses.....	125,000.00	124,965.73

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Education—Continued		
	Special Schools and Services Branch:		
	Salaries:		
Mar. 19, 1969	Order.....\$142,000.00		
April 2, 1969	Order.....12,000.00		
		154,000.00	147,542.00
Mar. 19, 1969	Marking and evaluating correspondence lessons—		
	services, etc.	100,000.00	89,252.90
April 2, 1969	Leadership Training Courses and Conferences, etc.		
	—services, travelling expenses, etc.	17,000.00	15,528.19
	Legislative Grants, etc.:		
Feb. 12, 1969	General Legislative Grants.....	11,000,000.00	10,999,999.63
	Miscellaneous Grants:		
	Miscellaneous Grants:		
Oct. 16, 1968	Order.....\$ 80,000.00		
Mar. 26, 1969	Order.....65,000.00		
		145,000.00	124,564.00
		12,305,500.00	12,241,810.90
	Department of Energy and Resources Management		
	Main Office:		
Feb. 26, 1969	Salaries.....	25,000.00	20,424.65
	Energy Branch:		
Feb. 26, 1969	Salaries.....	64,000.00	61,174.81
	Ontario Energy Board:		
Feb. 26, 1969	Salaries.....	15,000.00	14,093.53
	Conservation Authorities Branch:		
Feb. 26, 1969	Salaries.....	63,000.00	60,617.13
Mar. 5, 1969	Travelling expenses.....	13,000.00	8,380.98
Nov. 13, 1968	Grants to Municipalities under The Parks Assistance Act, R.S.O. 1960, Section 3.....	468,000.00	365,679.28
	Ontario Water Resources Commission—Operations:		
Mar. 12, 1969	Salaries.....	528,000.00	526,802.76
Nov. 6, 1968	Engineering Studies.....	150,000.00	149,989.81
		1,326,000.00	1,207,162.95
	Department of Financial and Commercial Affairs		
	Main Office:		
Jan. 30, 1969	Travelling expenses.....	4,000.00	1,912.03
Oct. 10, 1968	Maintenance.....	20,000.00	19,835.73
Jan. 30, 1969	Research expenses.....	60,000.00	59,906.91
	Ontario Securities Commission:		
Mar. 19, 1969	Salaries.....	15,000.00	8,123.08
	Superintendent of Insurance and Registrar of Loan and Trust Companies:		
Mar. 19, 1969	Salaries.....	32,000.00	29,926.34
Mar. 19, 1969	Maintenance.....	3,500.00	3,493.33

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Financial and Commercial Affairs—Continued		
	Consumer Protection Division:		
Mar. 19, 1969	Salaries.....	17,000.00	15,759.29
Mar. 5, 1969	Maintenance.....	29,000.00	28,878.75
Feb. 5, 1969	Grants.....	15,500.00	11,707.64
		196,000.00	179,543.10
	Department of Health		
	Departmental Administration:		
Jan. 30, 1969	Committee on the Healing Arts—services and expenses.....	46,500.00	37,986.83
	Financial and Administrative Services Division:		
Mar. 19, 1969	Workmen's Compensation Board—awards and costs.....	87,500.00	87,500.00
	Public Health Division:		
Jan. 30, 1969	Grants authorized under The Ambulance Services Act.....	327,500.00	267,959.70
Mar. 26, 1969	Outbreaks of Diseases, Sanitary Investigations, Control of Typhoid and Paratyphoid Fever, including compensation for Carriers, Health Education, free distribution of biological and other products for the prevention and cure of disease, and medical care in unorganized districts, services and expenses.....	343,500.00	343,500.00
Mar. 19, 1969	Costs and expenses of prescribed drugs and equipment re children with Cystic Fibrosis.....	75,000.00	75,000.00
Feb. 26, 1969	Provincial Aid re Homes for Special Care.....	4,811,500.00	4,768,828.01
	Mental Health Division—General Administration:		
Feb. 5, 1969	Maintenance.....	27,500.00	23,863.99
	Hospital Schools:		
Mar. 12, 1969	Salaries.....		
April 2, 1969	Order..... \$1,000,000.00		
	Order..... 136,500.00		
April 2, 1969	Maintenance.....	1,136,500.00	1,119,737.23
		467,000.00	463,013.83
	Mental Hospitals:		
Mar. 12, 1969	Salaries:		
April 2, 1969	Order..... \$3,392,000.00		
	Order..... 653,000.00		
April 2, 1969	Maintenance.....	4,045,000.00	4,005,531.84
		517,000.00	477,040.66
	Medical Services Insurance Division:		
Mar. 26, 1969	Salaries.....	160,000.00	139,994.46
	Health Insurance Registration Board:		
Feb. 19, 1969	Salaries.....	1,044,500.00	765,222.55
Feb. 19, 1969	Travelling expenses.....	46,000.00	6,569.01
Feb. 19, 1969	Maintenance.....	555,000.00	243,901.69
Feb. 19, 1969	Data Processing, rental of equipment.....	562,500.00	392,641.08
	Ontario Hospital Services Commission:		
Feb. 26, 1969	Contribution to the Ontario Hospital Services Commission, excluding services rendered by the Health Insurance Registration Board.....	19,000,000.00	19,000,000.00
		33,252,500.00	32,218,290.88

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Highways		
	General Administration:		
Feb. 12, 1969	Salaries.....	170,000.00	146,135.02
Mar. 26, 1969	Collection of bridge tolls.....	12,000.00	5,566.47
	Electronic Computing Services:		
Feb. 12, 1969	Salaries.....	80,000.00	75,471.53
Mar. 26, 1969	Rental of equipment.....	40,000.00	36,825.07
	Operations—Head Office Administration:		
Feb. 12, 1969	Salaries.....	50,000.00	16,878.53
	Maintenance—King's Highways and Other Roads:		
Feb. 26, 1969	General Maintenance: King's Highways and Secondary Highways (The Highway Improvement Act, Secs. 22, 30, 33, 41, 42, 44, 94a (2) and 108)	2,600,000.00	1,872,388.16
	Purchasing and Other Services:		
Feb. 12, 1969	Salaries.....	180,000.00	121,117.94
April 2, 1969	Equipment and Supplies.....	1,878,000.00	1,876,492.51
	GO Transit—Maintenance:		
Feb. 12, 1969	Salaries.....	25,000.00	16,990.19
		5,035,000.00	4,167,865.42
	Department of Justice		
	Main Office:		
April 2, 1969	Salaries.....	5,500.00	4,578.65
	Royal Commissions:		
Feb. 12, 1969	Order.....\$ 43,000.00		
April 2, 1969	Order.....29,000.00		
		72,000.00	71,722.05
	Administration and Finance Division:		
April 2, 1969	Salaries.....	108,000.00	107,195.68
Oct. 16, 1968	Unemployment Insurance.....	7,500.00	5,443.57
Sept. 4, 1968	Compassionate Allowances.....	7,000.00	6,399.96
	Office of the Legislative Counsel:		
April 2, 1969	Salaries.....	22,500.00	22,267.45
	Ontario Law Reform Commission:		
	Administrative and Research expenses:		
July 10, 1968	Order.....\$ 21,000.00		
April 2, 1969	Order.....16,000.00		
		37,000.00	36,529.90
	Office of the Senior Crown Counsel:		
April 2, 1969	Salaries.....	36,000.00	34,953.01
Jan. 8, 1969	Travelling expenses.....	3,000.00	2,821.68
	Criminal Law Division:		
April 2, 1969	Salaries.....	173,000.00	171,662.53
Mar. 26, 1969	Travelling expenses.....	8,000.00	7,973.65
	Crown Counsel Prosecutions:		
Jan. 22, 1969	Order.....\$110,000.00		
April 2, 1969	Order.....35,500.00		
		145,500.00	145,317.41
	Administration of Justice Division:		
April 2, 1969	Salaries.....	2,398,000.00	2,396,690.35
April 2, 1969	Maintenance.....	733,000.00	732,663.69
Mar. 26, 1969	Administration of Justice—Counties and Cities ..	270,000.00	267,249.43

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Justice—Continued		
Jan. 15, 1969	Administration of Justice Division—Continued		
	Services of Children's Aid Societies and other reporting agents.....	140,000.00	139,998.17
April 2, 1969	Contribution to Legal Aid Fund, Law Society of Upper Canada.....	332,000.00	332,000.00
	Public Safety Division:		
April 2, 1969	Salaries.....	189,000.00	187,970.21
Mar. 19, 1969	Maintenance.....	23,500.00	23,213.22
	Ontario Police Commission:		
April 2, 1969	Salaries.....	90,000.00	89,102.75
	Ontario Provincial Police:		
Mar. 12, 1969	Salaries.....	1,375,000.00	1,371,731.91
Mar. 12, 1969	Maintenance.....	50,000.00	40,783.33
Nov. 13, 1968	Movement of personnel.....	100,000.00	99,666.26
Mar. 12, 1969	Salaries—Data Processing.....	5,000.00	1,488.36
Mar. 12, 1969	Maintenance—Data Processing.....	1,000.00	111.91
Mar. 12, 1969	Rental of Equipment—Data Processing.....	7,000.00	5,752.78
		6,338,500.00	6,305,287.91
	Department of Labour		
	Main Office:		
Feb. 19, 1969	Salaries.....	90,000.00	64,818.68
Mar. 26, 1969	Advertising: Conferences, information services, staff development, membership fees and legal costs.....	55,500.00	55,429.04
	Workmen's Compensation Board—awards and costs:		
Jan. 30, 1969	Order.....\$ 6,000.00		
April 2, 1969	Order.....5,500.00	11,500.00	7,395.48
	Industrial Training Branch:		
Mar. 26, 1969	Salaries.....	123,000.00	117,050.85
	Conciliation Services:		
Feb. 19, 1969	Salaries.....	27,000.00	17,570.58
Jan. 30, 1969	Maintenance.....	16,000.00	8,319.27
	Labour Standards Branch:		
Feb. 19, 1969	Salaries.....	87,500.00	68,166.06
Jan. 30, 1969	Maintenance.....	87,500.00	65,165.64
	Labour Relations Board:		
Feb. 19, 1969	Salaries.....	62,000.00	37,652.16
Feb. 19, 1969	Per Session Allowances (Board Members).....	5,000.00	2,120.00
	Human Rights Commission:		
Feb. 19, 1969	Salaries.....	42,500.00	30,106.35
Mar. 26, 1969	Travelling expenses.....	2,000.00	1,737.23
	Maintenance:		
Dec. 4, 1968	Order.....\$ 4,000.00		
Feb. 12, 1969	Order.....10,000.00	14,000.00	11,276.20
	Research Branch:		
Feb. 19, 1969	Salaries.....	27,000.00	8,653.28
		650,500.00	495,460.82

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Lands and Forests		
	Main Office:		
Mar. 26, 1969	Salaries.....	80,000.00	66,208.70
Feb. 26, 1969	Workmen's Compensation Board—awards and costs.....	55,000.00	47,760.92
	Fish and Wildlife Branch:		
Mar. 26, 1969	Salaries.....	25,000.00	19,217.66
April 2, 1969	Payments of Wolf Bounty.....	2,000.00	2,000.00
	Forest Protection Branch:		
Mar. 26, 1969	Salaries.....	10,000.00	9,655.70
	Lands and Surveys Branch:		
Mar. 26, 1969	Salaries.....	65,000.00	58,584.47
	Parks Branch:		
Feb. 26, 1969	Salaries.....	41,000.00	36,238.99
	Research Branch:		
Mar. 26, 1969	Salaries.....	15,000.00	14,495.05
	Timber Branch:		
Mar. 26, 1969	Salaries.....	80,000.00	65,891.85
	Ontario Forest Technical School:		
Mar. 26, 1969	Salaries, expenses, maintenance and operating....	21,000.00	15,579.54
	Basic Organization—Field Services:		
Mar. 26, 1969	Salaries.....	1,250,000.00	1,186,863.01
		1,644,000.00	1,522,495.89
	Department of Mines		
	Main Office:		
Mar. 5, 1969	Salaries.....	59,000.00	47,779.79
	Mines Inspection Branch:		
Feb. 19, 1969	Salaries.....	70,000.00	69,785.44
Feb. 5, 1969	Maintenance.....	28,000.00	6,419.31
	Laboratories Branch:		
	Salaries:		
Feb. 19, 1969	Order.....\$39,500.00		
April 2, 1969	Order.....500.00		
		40,000.00	39,602.10
	Sulphur Fumes Arbitrator:		
Feb. 12, 1969	Salaries, travelling and other expenses—The Damage by Fumes Arbitration Act, R.S.O. 1960, Chap. 86—to be refunded by Smelting Companies.....	2,000.00	567.39
	Mining Lands Branch:		
Mar. 5, 1969	Salaries.....	49,000.00	48,251.07
Feb. 5, 1969	Travelling expenses.....	15,000.00	12,185.93
Feb. 5, 1969	Maintenance.....	30,000.00	25,445.27
		293,000.00	250,036.30

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Municipal Affairs		
	Main Office:		
Mar. 26, 1969	Salaries.....	55,500.00	54,768.61
April 2, 1969	Maintenance.....	25,000.00	24,963.34
April 2, 1969	Grants and expenses to encourage research and to develop new techniques in all areas of municipal affairs.....	20,000.00	19,966.60
	Community Planning:		
Mar. 26, 1969	Salaries.....	114,000.00	113,040.06
April 2, 1969	Maintenance.....	30,000.00	29,999.10
	Municipal Finance:		
	Salaries:		
Mar. 26, 1969	Order.....\$ 18,000.00		
April 16, 1969	Order.....1,000.00		
		19,000.00	18,735.72
Oct. 10, 1968	Maintenance.....	567,000.00	307,464.95
	Municipal Administration and Assessment:		
Mar. 26, 1969	Salaries.....	53,500.00	52,959.16
April 2, 1969	Travelling expenses.....	15,000.00	14,065.57
	Maintenance:		
April 2, 1969	Order.....\$ 5,000.00		
April 16, 1969	Order.....4,000.00		
		9,000.00	8,976.22
	Subsidies, Grants and Payments to Municipalities:		
Nov. 20, 1968	The Municipal Unconditional Grants Act.....	150,000.00	137,587.44
Dec. 20, 1968	The Municipal Tax Assistance Act, Payments in lieu of taxes for general municipal purposes on provincial property.....	250,000.00	153,357.05
	The Drainage Act, Grants and expenses for the drainage of agricultural land:		
Dec. 5, 1968	Order.....\$700,000.00		
Mar. 26, 1969	Order.....700,000.00		
		1,400,000.00	1,399,999.70
Feb. 5, 1969	Centennial Grants Program.....	387,000.00	386,941.00
Jan. 30, 1969	Grants for orderly development in unorganized territory.....	17,000.00	15,000.00
	Ontario Municipal Board:		
Mar. 26, 1969	Salaries.....	81,500.00	81,040.37
April 2, 1969	Travelling expenses.....	5,500.00	5,399.00
		3,199,000.00	2,824,263.89
	Department of Prime Minister		
	Main Office:		
Jan. 15, 1969	Salaries.....	42,000.00	38,348.22
Jan. 15, 1969	Maintenance.....	5,000.00	4,997.76
		47,000.00	43,345.98
	Office of Provincial Auditor		
	Office of Provincial Auditor:		
Mar. 5, 1969	Salaries.....	50,000.00	45,153.87
Mar. 5, 1969	Maintenance.....	5,000.00	2,220.51
		55,000.00	47,374.38

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Provincial Secretary and Citizenship		
	Main Office and General Departmental Expenses:		
April 2, 1969	Salaries.....	52,000.00	50,642.43
Oct. 9, 1968	Government Hospitality Fund.....	22,000.00	20,066.57
	Companies Branch:		
April 2, 1969	Salaries.....	17,000.00	13,711.83
	Citizenship Branch:		
April 2, 1969	Salaries.....	27,000.00	18,830.23
	Queen's Printer:		
April 2, 1969	Salaries.....	19,000.00	18,990.71
	Registrar General's Branch:		
April 2, 1969	Salaries.....	25,000.00	24,980.13
	Legislative Services:		
April 2, 1969	Salaries.....	44,500.00	40,048.09
Mar. 12, 1969	Maintenance.....	3,500.00	3,466.62
Jan. 30, 1969	Salaries—Sergeant-at-arms, Messengers, Pages, etc.....	20,000.00	18,808.84
Dec. 5, 1968	Stationery, including printing paper, printing Bills, distribution of Statutes, printing and binding... Hansard—reporting, printing, etc.:.....	75,000.00	74,753.98
Sept. 24, 1968	Order.....	\$50,000.00	
Feb. 5, 1969	Order.....	55,000.00	
		105,000.00	104,707.95
	Committee Fees, etc.:.....		
Dec. 5, 1968	Order.....	\$80,000.00	
Mar. 5, 1969	Order.....	20,000.00	
		100,000.00	88,797.02
	Legislative Art Purposes:		
Feb. 19, 1969	Order.....	\$ 3,000.00	
April 23, 1969	Order.....	500.00	
		3,500.00	3,250.00
		513,500.00	481,054.40
	Department of Public Works		
	Main Office:		
Jan. 15, 1969	Salaries.....	78,000.00	33,436.21
	Real Estate Branch:		
	Leased Premises—Rentals and expenses in connection therewith:		
Jan. 15, 1969	Order.....	\$ 16,000.00	
Mar. 12, 1969	Order.....	543,000.00	
		559,000.00	552,234.59
	Administration and Finance Division:		
Jan. 15, 1969	Salaries.....	128,500.00	24,713.48
Mar. 26, 1969	Workmen's Compensation Board—awards and costs.....	14,000.00	11,623.56
Jan. 15, 1969	Unemployment Insurance.....	20,000.00	17,141.95
Mar. 26, 1969	Communication Services—Rental of equipment, etc.....	120,000.00	5,088.54
	Operations Division—Administration and Maintenance:		
	Salaries:		
Jan. 15, 1969	Order.....	\$811,500.00	
April 2, 1969	Order.....	200,000.00	
		1,011,500.00	998,871.60

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Public Works—Continued		
	Operations Division—Administration and Maintenance—Continued		
Mar. 26, 1969	Travelling expenses.....	13,000.00	12,850.99
Mar. 26, 1969	Ontario Government Buildings—Housekeeping Maintenance.....	125,500.00	125,175.22
	Water Control Branch—Maintenance of Locks, Bridges, Dams and Docks:		
Jan. 15, 1969	Salaries.....	15,000.00	9,757.35
April 2, 1969	Administration of Justice: To provide for operational, maintenance, rental and other costs relative to the Province assuming the cost of Administration of Justice.....	950,000.00	950,000.00
	Purchasing and Supply Division:		
Jan. 6, 1969	Salaries.....	12,600.00	1,287.41
Jan. 6, 1969	Travelling expenses.....	3,000.00	2,816.77
Jan. 6, 1969	Maintenance.....	11,000.00	10,977.62
		3,061,100.00	2,755,975.29
	Department of Revenue		
	General Administration:		
	Salaries:		
Oct. 23, 1968	Order.....\$17,000.00		
April 16, 1969	Order.....10,000.00	27,000.00	26,999.75
Oct. 23, 1968	Travelling expenses.....	2,500.00	1,161.23
	Maintenance:		
Oct. 23, 1968	Order.....\$ 6,500.00		
Feb. 12, 1969	Order.....6,000.00	12,500.00	11,584.24
	Administrative Division:		
	Salaries:		
Jan. 30, 1969	Order.....\$58,000.00		
April 16, 1969	Order.....6,000.00	64,000.00	63,611.86
Aug. 21, 1968	Fidelity Insurance.....	89,000.00	31,632.06
		195,000.00	134,989.14
	Department of Social and Family Services		
	Main Office:		
Feb. 19, 1969	Salaries.....	24,000.00	16,559.95
Mar. 19, 1969	Workmen's Compensation Board—awards and costs.....	3,500.00	3,046.74
Nov. 26, 1968	Unforeseen and unprovided.....	18,000.00	14,995.77
	Family Benefits Branch:		
Feb. 19, 1969	Salaries.....	84,000.00	48,904.99
Feb. 19, 1969	Maintenance.....	27,000.00	19,177.11
Mar. 12, 1969	Assistance in accordance with The Family Benefits Act.....	3,300,000.00	3,181,128.42
Feb. 5, 1969	Dental Services—Payments on behalf of certain beneficiaries in accordance with the regulations under The Family Benefits Act, etc.....	135,000.00	135,000.00
Mar. 5, 1969	Medical Services—Payments to the Ontario Medical Services Insurance Division re Welfare recipients and beneficiaries.....	2,902,000.00	2,536,712.14

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Social and Family Services —Continued		
Mar. 5, 1969	Municipal Welfare Administration Branch:		
	Salaries.....	16,000.00	762.97
	Assistance under The General Welfare Assistance Act:		
Jan. 22, 1969	Order.....	\$12,261,000.00	
April 23, 1969	Order.....	1,900,000.00	
April 2, 1969	Subsidies re Municipal Administration Expenses to Counties and District Welfare Administration Boards, Cities and Separated Towns.....	14,161,000.00	14,152,783.85
		407,000.00	406,708.01
Feb. 19, 1969	Field Services Branch:		
	Maintenance.....	27,000.00	26,607.95
Feb. 12, 1969	Child Welfare Branch:		
	Adoption and sundry administration costs.....	30,000.00	18,046.92
April 23, 1969	Homes for the Aged Branch:		
	The Charitable Institutions Act—re certain institutions.....	610,000.00	608,463.45
Mar. 5, 1969	Vocational Rehabilitation Services Branch:		
Oct. 30, 1968	Salaries.....	95,000.00	54,041.06
	Maintenance.....	19,000.00	17,804.38
		21,858,500.00	21,240,743.71
	Department of Tourism and Information		
Feb. 26, 1969	Main Office:		
Mar. 5, 1969	Salaries.....	8,000.00	7,311.89
	Travelling expenses.....	4,000.00	3,322.63
Feb. 26, 1969	Administrative Branch:		
	Salaries.....	13,000.00	11,411.62
Feb. 26, 1969	Tourist Industry Development Branch:		
	Salaries.....	70,000.00	68,574.77
Feb. 26, 1969	Public Records and Archives:		
July 31, 1968	Salaries.....	19,000.00	18,999.60
	Grants.....	15,000.00	14,785.51
Feb. 26, 1969	Theatres Branch:		
Jan. 15, 1969	Salaries.....	14,000.00	11,780.75
Jan. 15, 1969	Travelling expenses.....	2,000.00	1,896.28
	Maintenance.....	6,000.00	4,727.27
Feb. 26, 1969	Travel Research Branch:		
	Salaries.....	4,000.00	3,635.40
Feb. 26, 1969	The St. Lawrence Parks Commission:		
	Salaries.....	108,000.00	100,440.68
Aug. 14, 1968	Land acquisition:		
Oct. 30, 1968	Order.....	\$25,000.00	
	Order.....	14,000.00	
Mar. 19, 1969	Construction and Development.....	39,000.00	38,139.95
		20,000.00	18,306.14

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Tourism and Information —Continued		
Aug. 14, 1968	Huronian Historical Parks: Purchase of saleable merchandise.....	15,000.00	5,765.77
Oct. 16, 1968	Construction and Development: Order.....\$150,000.00		
Dec. 11, 1968	Order.....200,000.00	350,000.00	349,783.88
Mar. 12, 1969	The Centennial Centre of Science and Technology: Salaries.....	100,000.00	98,674.91
		787,000.00	757,557.05
	Department of Trade and Development		
Feb. 5, 1969	Main Office: Salaries.....	125,000.00	104,941.26
Mar. 26, 1969	Travelling expenses.....	4,000.00	2,125.99
Feb. 5, 1969	Postage—entire department.....	15,000.00	14,888.45
June 26, 1968	Costs of participation in the Japanese Universal and International Exhibition of 1970 and outstanding costs related to Expo 67: Order.....\$731,000.00		
Nov. 20, 1968	Order.....268,000.00	999,000.00	983,355.17
Feb. 5, 1969	Ontario Economic Council: Salaries.....	13,000.00	11,457.36
Mar. 26, 1969	Ontario House: Travelling expenses.....	3,000.00	995.66
Feb. 5, 1969	Immigration Branch: Salaries.....	10,000.00	7,504.70
Feb. 5, 1969	Trade and Industry Division: Salaries.....	55,000.00	34,887.56
		1,224,000.00	1,160,156.15
	Department of Transport		
Mar. 19, 1969	Administration: Salaries.....	89,000.00	70,140.40
Mar. 19, 1969	Drivers Branch: Salaries.....	181,000.00	164,301.20
Mar. 19, 1969	Vehicles Branch: Salaries.....	95,000.00	70,027.89
April 2, 1969	Maintenance.....	37,000.00	32,825.40
Mar. 19, 1969	Common Carriers: Maintenance.....	5,000.00	1,544.40
Jan. 22, 1969	Highway Safety Co-ordination and Promotion: Salaries.....	32,000.00	29,892.90
Mar. 19, 1969	Motor Vehicle Accident Claims Fund: Salaries.....	23,000.00	18,690.60
Feb. 12, 1969	Legal, medical and adjuster fees, etc.....	150,000.00	143,158.60

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Transport—Continued		
	Transportation Planning:		
	Travelling expenses:		
Nov. 6, 1968	Order.....	\$ 3,000.00	
Nov. 27, 1968	Order.....	5,000.00	
		8,000.00	7,250.45
	Maintenance:		
June 12, 1968	Order.....	\$34,500.00	
July 24, 1968	Order.....	15,000.00	
Nov. 27, 1968	Order.....	6,500.00	
Mar. 26, 1969	Order.....	26,000.00	
		82,000.00	72,784.84
		702,000.00	610,617.04
	Department of Treasury and Economics		
	General Administration:		
April 2, 1969	Salaries.....	4,000.00	851.45
	Travelling expenses:		
Dec. 20, 1968	Order.....	\$ 2,000.00	
Feb. 26, 1969	Order.....	2,000.00	
		4,000.00	2,973.37
July 24, 1968	Maintenance.....	12,500.00	11,280.56
	Finance and Economics—General Administration:		
Dec. 5, 1968	Travelling expenses.....	2,500.00	465.12
	Maintenance:		
Dec. 5, 1968	Order.....	\$ 3,000.00	
April 2, 1969	Order.....	5,500.00	
		8,500.00	8,247.52
	Economic and Statistical Services Division:		
Mar. 26, 1969	Salaries.....	43,000.00	25,579.49
Dec. 20, 1968	Maintenance.....	71,000.00	70,985.39
April 2, 1969	Charges for computer services.....	110,000.00	93,463.92
	Government Accounts Division:		
April 16, 1969	Salaries.....	12,000.00	7,393.25
	Maintenance:		
Jan. 15, 1969	Order.....	\$75,000.00	
April 16, 1969	Order.....	11,500.00	
		86,500.00	85,875.32
Feb. 5, 1969	Government contribution to employee insurance plan.....	500,000.00	332,411.47
April 16, 1969	Government contribution to Canada Pension Plan.....	483,000.00	218,432.27
	Policy Planning Division:		
Mar. 26, 1969	Salaries.....	100,000.00	84,225.03
Dec. 20, 1968	Travelling expenses.....	15,000.00	7,101.67
Dec. 20, 1968	Maintenance.....	19,000.00	18,751.96
Dec. 5, 1968	Expenses for Federal-Provincial Conferences.....	10,000.00	5,785.13
	Ontario Racing Commission:		
April 2, 1969	Salaries and allowances.....	6,000.00	4,890.64
Feb. 19, 1969	Grants and expenses for encouragement and improvement of horse racing in Ontario, including research into equine medicine, etc.....	24,500.00	14,769.34
	Pension Commission of Ontario:		
Mar. 19, 1969	Salaries and allowances.....	14,000.00	10,223.03
		1,525,500.00	1,003,705.93

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of University Affairs		
Mar. 12, 1969	Grants to Universities and Colleges: Grants for Operating Costs	11,725,000.00	11,564,701.54
Nov. 20, 1968	Student Awards: Colleges of Education Fellowships	383,000.00	315,471.00
		12,108,000.00	11,880,172.54
	Total Ordinary Treasury Board Orders . . .	111,529,100.00	105,980,844.41

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	CAPITAL		
	Department of Energy and Resources Management		
Nov. 13, 1968	Conservation Authorities Branch: To provide for the Province's share of the costs of land development, engineering, flood control programs of the Conservation Authorities (The Conservation Authorities Act, R.S.O. 1960, Sec. 42, as amended 1961-62)	4,000,000.00	2,053,539.63
Feb. 26, 1969	The Hydro-Electric Power Commission of Ontario: To provide for the Province's share of the costs of construction and installation of plant and equipment and expenses relating to the 1000 Megawatt Nuclear Powered Generating Station as directed by the Lieutenant Governor in Council	9,448,000.00	9,446,991.00
Nov. 13, 1968	Water Management Program: To provide for the construction costs of projects as may be approved by the Lieutenant Governor in Council	1,000,000.00	205,022.78
		14,448,000.00	11,705,553.41
	Department of Highways		
Feb. 26, 1969	Construction and Other Capital Projects: Development Roads (The Highway Improvement Act, Section 90)	750,000.00	749,217.38
Feb. 12, 1969	Planning and Design: Salaries	1,225,000.00	1,138,255.65
Feb. 12, 1969	Property Purchases and Related Services: Salaries	375,000.00	365,282.07
Jan. 6, 1969	Travelling expenses	60,000.00	42,524.07
Feb. 12, 1969	Research and Sundry Engineering Services: Salaries	250,000.00	249,263.35
Mar. 19, 1969	GO Transit—Capital: Purchase of equipment, alteration to track and signal systems, etc.	3,300,000.00	3,281,067.44
		5,960,000.00	5,825,609.96
	Department of Lands and Forests		
Mar. 26, 1969	Timber Branch: Construction of logging roads through Crown timber areas—the cost to be recovered as increased stumpage charges on timber sales . . .	9,000.00	8,098.03
	Department of Mines		
Jan. 15, 1969	Main Office: Construction of Mining and Access Roads	250,000.00	249,961.49

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Public Works		
Jan. 15, 1969	Real Estate Branch:		
	Salaries.....	52,000.00	26,044.28
	Operations Division—Public Buildings and Services:		
	Salaries:		
Jan. 15, 1969	Order.....	\$267,000.00	
April 2, 1969	Order.....	30,000.00	
		297,000.00	294,385.92
	Water Control Branch—Construction of Dams, Docks, Locks and Improvements to Flow Channels, etc.:		
Jan. 15, 1969	Salaries.....	22,500.00	597.20
April 2, 1969	Travelling expenses.....	5,500.00	2,942.21
Jan. 30, 1969	Construction of Dams, Docks, Locks and Improvements to Flow Channels, etc.....	156,000.00	152,124.31
		533,000.00	476,093.92
	Total Capital Treasury Board Orders.....	21,200,000.00	18,265,316.81
	Total Treasury Board Orders.....	132,729,100.00	124,246,161.22

SPECIAL WARRANTS

STATEMENT OF SPECIAL WARRANTS ISSUED DURING THE FISCAL YEAR
ENDED MARCH 31, 1969

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	ORDINARY		
	Department of Agriculture and Food		
Oct. 3, 1968 (as amended)	Reducing the cost suffered as a result of various storms which struck during the months of June, July and August, 1968.	50,000.00	33,121.79
	Department of Correctional Services		
Aug. 8, 1968	Reimbursement to the School Board of Dill, Cleland, Secord and Burwash Township School Area for the cost of an addition to their School to accommodate children of staff of the Industrial Farm, Burwash.	450,000.00	12,163.40
	Department of Health		
Nov. 14, 1968	Providing the Ross Memorial Hospital, Lindsay, with funds which will be utilized for acquiring land on which an extension to the present Hospital facilities will be erected.	50,000.00	50,000.00
	Department of Municipal Affairs		
Nov. 14, 1968	Reducing the cost suffered as a result of the flood which struck South Western Ontario in February, 1968.	40,000.00	37,240.90
	Total Special Warrants	590,000.00	132,526.09

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PROVINCIAL
AUDITOR'S
REPORT
1969-70

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



TORONTO

PRINTED AND PUBLISHED BY WILLIAM KINMOND, QUEEN'S PRINTER AND PUBLISHER
1970

PROVINCIAL AUDITOR'S REPORT 1969-70

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO
SESSIONAL PAPER No. 3, 1971



ONTARIO

TORONTO

PRINTED AND PUBLISHED BY WILLIAM KINMOND, QUEEN'S PRINTER AND PUBLISHER
1970

TO THE HONOURABLE WILLIAM ROSS MACDONALD, P.C., C.D., Q.C., LL.D.
Lieutenant Governor of the Province of Ontario.

MAY IT PLEASE YOUR HONOUR:

The undersigned has the honour to present to Your Honour the following report for the fiscal year ended March 31st, 1970, in accordance with the requirements of The Audit Act.

Respectfully submitted,

George H. Spence F.C.A.

GEORGE H. SPENCE, F.C.A.
Provincial Auditor

Office of Provincial Auditor,
Toronto, November 27, 1970.

REPORT OF THE PROVINCIAL AUDITOR TO THE
LEGISLATIVE ASSEMBLY OF ONTARIO FOR THE
FISCAL YEAR ENDED MARCH 31ST, 1970, IN
ACCORDANCE WITH THE REQUIREMENTS OF
THE AUDIT ACT.

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REPORT OF THE PROVINCIAL AUDITOR

1969 - 1970

I have the honour to report to the Legislative Assembly on the examination and audit of the accounts of the Province of Ontario for the fiscal year ended March 31, 1970, in accordance with the requirements of section 20 of The Audit Act.

I have examined the Statement of Assets and Liabilities of the Province of Ontario as at March 31, 1970, the Statements of Revenue and Expenditure for the year ended on that date and other related statements, and have compared them with the books of account and financial records. I have obtained all the information and explanations I have required.

Subject to the qualifications in this report, in my opinion and according to the best of my information and the explanations given to me and as shown by the books of the Province, these financial statements are properly drawn up in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year so as to present fairly the financial position of the Province as at March 31, 1970, and the results of its operations for the year then ended.

BASIS OF ACCOUNTING

The accounts of the Province of Ontario have been kept on a cash basis as in previous years. This system of accounting, where transactions are recorded as cash flows in and out of the Consolidated Revenue Fund, provides effective control by the Legislature over public moneys.

The Statement of Assets and Liabilities includes only those assets and liabilities resulting from cash transactions and which are deemed to affect Net Debt. Memorandum records of certain other assets and liabilities are maintained for internal control purposes.

OPERATIONS FOR 1969-70

The Honourable Charles S. MacNaughton, Treasurer of Ontario and Minister of Economics, in his address to the Legislative Assembly of Ontario on March 4, 1969, presented budget forecasts for the fiscal year ended March 31, 1970. In his address to the Assembly on March 31, 1970, he presented interim statements for the same fiscal year showing eleven months' actual results plus one month's forecast.

The statements which follow compare the budget forecasts with the actual results for the year ended March 31, 1970. Comparative summaries of the interim statements (eleven months' actual plus one month's forecast) and the actual results are appended to this report together with certain other statements and charts presenting information on the financial operations of the Province as detailed on pages 32-33. In each case the comparative budget and interim statements follow the format presented in the respective Budget Statement.

Differences of one dollar in amounts appearing in various parts of this report may occur as a result of stating all amounts in dollars.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET GENERAL
REVENUE FOR THE FISCAL YEAR APRIL 1, 1969 TO MARCH 31, 1970**

	BUDGET NET GENERAL REVENUE	ACTUAL NET GENERAL REVENUE	ACTUAL TO BUDGET INCREASE	DECREASE
Taxation:	\$	\$	\$	\$
Personal Income Tax Collection				
Agreement.....	712,000,000	762,086,481	50,086,481	
Retail Sales Tax.....	630,500,000	637,263,927	6,763,927	
Corporations Tax.....	407,000,000	477,173,456	70,173,456	
Gasoline Tax.....	357,500,000	361,936,510	4,436,510	
Succession Duty.....	67,000,000	73,182,163	6,182,163	
Share of Federal Estate Tax...	22,000,000	26,818,000	4,818,000	
Motor Vehicle Fuel Tax.....	30,500,000	29,839,870		660,130
Tobacco Tax.....	72,500,000	71,695,372		804,628
Race Tracks Tax.....	21,000,000	20,873,048		126,952
Mines Profits, Acreage, Gas...	27,000,000	24,541,464		2,458,536
Land Transfer Tax.....	14,000,000	14,548,059	548,059	
Hospitals Tax.....	1,000,000	838,165		161,835
Security Transfer Tax.....	7,500,000	6,962,007		537,993
Logging Tax.....	1,500,000	1,977,227	477,227	
Income Tax—Public Utilities..	3,800,000	8,795,404	4,995,404	
Other Taxation.....	4,700,000	4,011,830		688,170
Total Tax Revenue.....	2,379,500,000	2,522,542,983	148,481,227	5,438,244
Other Revenue:				
Treasury and Economics				
Post-Secondary Education				
Adjustment Payment.....	147,000,000	105,014,004		41,985,996
Water Power Rentals.....	9,000,000	9,074,092	74,092	
Other.....	5,000,000	5,203,637	203,637	
Liquor Control Board of Ontario	161,000,000	119,291,733	277,729	41,985,996
Transport.....	190,000,000	178,740,576		11,259,424
Justice.....	139,500,000	144,711,791	5,211,791	
Lands and Forests.....	43,200,000	44,380,726	1,180,726	
Education.....	36,800,000	37,484,848	684,848	
Health.....	12,500,000	27,041,441	14,541,441	
University Affairs.....	7,700,000	179,294,279	171,594,279	
Provincial Secretary and	5,400,000	4,793,314		606,686
Citizenship.....	4,800,000	1,398,213		3,401,787
Highways.....	3,800,000	4,175,003	375,003	
Labour.....	2,700,000	4,990,371	2,290,371	
Agriculture and Food.....	1,800,000	4,058,743	2,258,743	
Mines.....	1,600,000	2,113,835	513,835	
Other Departments.....	8,100,000	25,758,587	17,658,587	
Total Other Revenue.....	618,900,000	778,233,460	216,587,353	57,253,893
Total Net General Revenue.....	2,998,400,000	3,300,776,443	365,068,580	62,692,137

**COMPARATIVE STATEMENT OF BUDGET* AND ACTUAL NET GENERAL
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1969 TO MARCH 31, 1970**

	BUDGET NET GENERAL EXPENDITURE	ACTUAL NET GENERAL EXPENDITURE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
	\$	\$	\$	\$
Education.....	953,842,000	977,580,816	23,738,816	
Highways.....	471,661,000	454,647,507		17,013,493
University Affairs.....	365,848,000	357,648,724		8,199,276
Health.....	341,479,000	548,085,564	206,606,564	
Municipal Affairs.....	203,081,000	208,787,818	5,706,818	
Social and Family Services.....	133,593,000	130,617,730		2,975,270
Debt Transactions—Interest.....	89,871,000	60,523,625		29,347,375
Justice.....	88,666,000	100,468,954	11,802,954	
Public Works.....	81,245,000	84,531,869	3,286,869	
Lands and Forests.....	63,759,000	61,452,670		2,306,330
Agriculture and Food.....	57,257,000	48,839,798		8,417,202
Treasury and Economics.....	43,380,000	48,487,892	5,107,892	
Correctional Services.....	42,271,000	45,101,756	2,830,756	
Energy and Resources Manage- ment.....	23,174,000	26,458,578	3,284,578	
Trade and Development.....	18,673,000	23,196,515	4,523,515	
Labour.....	15,845,000	14,401,920		1,443,080
Transport.....	13,028,000	13,120,230	92,230	
Tourism and Information.....	12,726,000	13,131,953	405,953	
Revenue.....	10,649,000	10,355,724		293,276
Mines.....	6,928,000	6,741,418		186,582
Provincial Secretary and Citizen- ship.....	6,918,000	6,900,319		17,681
Financial and Commercial Affairs	3,392,000	4,319,983	927,983	
Civil Service.....	2,780,000	2,334,607		445,393
Provincial Auditor.....	888,000	838,203		49,797
Prime Minister.....	382,000	399,941	17,941	
Lieutenant Governor.....	39,000	39,256	256	
Government Stationery Account..		230,811	230,811	
Total Net General Expenditure...	<u>3,051,375,000</u>	<u>3,249,244,181</u>	<u>268,563,936</u>	<u>70,694,755</u>

*Includes Supplementary Estimates.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1969 TO MARCH 31, 1970**

	BUDGET NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO BUDGET INCREASE	DECREASE
	\$	\$	\$	\$
Receipts and Credits				
Proceeds of Non-Public Debenture Issues:				
Canada Pension Plan.....	425,000,000	445,777,000	20,777,000	
Ontario Municipal Employees Retirement Fund.....	39,000,000	46,700,000	7,700,000	
Teachers' Superannuation Fund	85,000,000	80,000,000		5,000,000
	<u>549,000,000</u>	<u>572,477,000</u>	<u>28,477,000</u>	<u>5,000,000</u>
Debenture Issues on behalf of The Hydro-Electric Power Commission of Ontario.....		199,450,000	199,450,000	
Province of Ontario Savings Office Deposits (Net).....		1,743,072	1,743,072	
Repayment of Loans and Advances:				
The Hydro-Electric Power Commission of Ontario.....	1,100,000	10,364,859	9,264,859	
The Municipal Works Assistance Act.....	3,800,000	3,798,602		1,398
The Ontario Municipal Improvement Corporation.....	3,600,000	3,600,000		
The Ontario Universities Capital Aid Corporation.....	7,000,000	7,361,630	361,630	
The Ontario Education Capital Aid Corporation.....	19,000,000	20,980,464	1,980,464	
Ontario Development Corporation.....	4,100,000	1,407,865		2,692,135
Ontario Hospitals re Hospital Construction Loans.....	4,100,000	3,437,586		662,414
Other.....	5,800,000	17,839,629	12,039,629	
	<u>48,500,000</u>	<u>68,790,635</u>	<u>23,646,582</u>	<u>3,355,947</u>
Pension Funds, Deposit, Trust and Reserve Accounts:				
Sales of Vacation-with-Pay Stamps.....	2,000,000	2,789,978	789,978	
Public Service Superannuation Fund.....	63,500,000	66,090,738	2,590,738	
Motor Vehicle Accident Claims Fund.....	9,200,000	8,116,817		1,083,183
Health Insurance Registration Board—Prepaid Premiums...	11,000,000			11,000,000
Ontario Municipal Employees Retirement Fund.....	8,100,000	10,100,000	2,000,000	
Ontario Hospital Services Commission—Special Account...		125,000,000	125,000,000	
Other.....	500,000	3,129,827	2,629,827	
	<u>94,300,000</u>	<u>215,227,360</u>	<u>133,010,543</u>	<u>12,083,183</u>
Total Receipts and Credits.....	<u>691,800,000</u>	<u>1,057,688,067</u>	<u>386,327,197</u>	<u>20,439,130</u>

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1969 TO MARCH 31, 1970**
(Continued)

	BUDGET NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO BUDGET INCREASE	DECREASE
	\$	\$	\$	\$
Disbursements and Charges				
Loans and Advances:				
The Ontario Municipal Improve- ment Corporation.....	3,000,000	5,158,000	2,158,000	
Ontario Housing Corporation and Ontario Student Housing Cor- poration.....	56,000,000	44,575,000		11,425,000
The Ontario Universities Capital Aid Corporation.....	170,000,000	170,000,000		
The Ontario Education Capital Aid Corporation.....	175,000,000	200,550,000	25,550,000	
Ontario Water Resources Com- mission.....	32,000,000	29,967,932		2,032,068
The Ontario Junior Farmer Estab- lishment Loan Corporation....	9,000,000	11,000,000	2,000,000	
Hospital Capital Financial Assis- tance.....	25,800,000	25,779,199		20,801
The Hydro-Electric Power Com- mission of Ontario.....		199,450,000	199,450,000	
The Hydro-Electric Power Com- mission of Ontario re Nuclear Powered Generating Station...	20,000,000	19,529,110		470,890
Ontario Development Corporation	23,800,000	15,213,563		8,586,437
Tile Drainage Debentures.....	4,100,000	5,068,200	968,200	
Other.....	1,500,000	9,427,938	7,927,938	
	<u>520,200,000</u>	<u>735,718,942</u>	<u>238,054,138</u>	<u>22,535,196</u>
 Pension Funds, Deposit, Trust and Reserve Accounts:				
Redemption of Vacation-with-Pay Stamps.....	7,500,000	6,688,017		811,983
Public Service Superannuation Fund.....	20,700,000	23,649,597	2,949,597	
Motor Vehicle Accident Claims Fund.....	8,100,000	7,305,769		794,231
Ontario Hospital Services Com- mission—Special Account.....	39,000,000	27,000,000		12,000,000
Ontario Medical Services Insur- ance Plan—Special Account....	3,200,000			3,200,000
Health Insurance Registration Board—Prepaid Premiums....	11,000,000	6,751,809		4,248,191
Ontario Municipal Employees Re- tirement Fund.....	7,100,000	10,222,117	3,122,117	
Other.....	200,000	745,518	545,518	
	<u>96,800,000</u>	<u>82,362,827</u>	<u>6,617,232</u>	<u>21,054,405</u>
Total Disbursements and Charges....	<u>617,000,000</u>	<u>818,081,769</u>	<u>244,671,370</u>	<u>43,589,601</u>
 Surplus on Non-Budgetary Transactions.....	<u>74,800,000</u>	<u>239,606,298</u>	<u>141,655,827</u>	<u>(23,150,471)</u>

The estimated gross expenditure for the year, as shown on page 5 of the Estimates for the fiscal year ended March 31, 1970, was \$3,989,504,000. In addition to this amount Supplementary Estimates of \$54,857,000 were voted by the Legislature in March, 1970, bringing the total estimated gross expenditure to \$4,044,361,000 for the year. The actual gross expenditure was \$4,536,575,058, an increase of \$492,214,058 over the estimated amount.

The following statement summarizes the increases in actual gross expenditure relative to the total estimated gross expenditure.

**COMPARATIVE STATEMENT OF ESTIMATES AND ACTUAL GROSS
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1969 TO MARCH 31, 1970**

CLASSIFICATION	ESTIMATES	ACTUAL	ACTUAL TO ESTIMATES	
			INCREASE	DECREASE
	\$	\$	\$	\$
General—				
Voted—				
Main Estimates.....	3,060,078,000			
Supplementary Estimates...	54,857,000			
	<u>3,114,935,000</u>	<u>3,234,956,030</u>	<u>120,021,030</u>	
Statutory.....	312,470,500	482,154,414	169,683,914	
Special Warrants.....		1,382,845	1,382,845	
	<u>3,427,405,500</u>	<u>3,718,493,289</u>	<u>291,087,789</u>	
Disbursements and Charges—				
Voted.....	162,496,000	141,072,304		21,423,696
Statutory.....	454,459,500	677,009,465	222,549,965	
	<u>616,955,500</u>	<u>818,081,769</u>	<u>222,549,965</u>	<u>21,423,696</u>
	<u>4,044,361,000</u>	<u>4,536,575,058</u>	<u>513,637,754</u>	<u>21,423,696</u>

**Summary of Net Increases in Actual Gross
as Compared with Estimates of Gross Expenditure**

CLASSIFICATION	INCREASE
	\$
Voted.....	98,597,334
Statutory.....	392,233,879
Special Warrants.....	1,382,845
	<u>492,214,058</u>

The net increases in actual gross as compared with estimates of gross expenditure are commented on under the classification of voted, statutory and special warrants as follows:

VOTED

Expenditure appropriations authorized by the Legislative Assembly and actual gross expenditure are summarized below:

	AUTHORIZED	ACTUAL	ACTUAL OVER AUTHORIZED
	\$	\$	\$
General Expenditure.....	3,114,935,000	3,234,956,030	120,021,030
Disbursements and Charges	162,496,000	141,072,304	(21,423,696)
	<u>3,277,431,000</u>	<u>3,376,028,334</u>	<u>98,597,334</u>

The principal items accounting for the net over-expenditure were:

	OVER \$	UNDER \$
Contributions to the Ontario Hospital Services Commission— operation of hospitals and related facilities.....	124,903,520	
General Legislative Grants.....	43,498,876	
Income maintenance—Municipal allowances and assistance.....	9,043,127	
Construction and equipment of additional vocational units for school boards, etc.....		19,967,778
Income maintenance—Provincial allowances and benefits.....		16,091,579
Grants to public hospitals, etc.....		8,815,718
Ontario Development Corporation—loans.....		6,488,699
Ontario Housing Corporation—advances.....		6,486,000
General Maintenance—highways.....		6,210,998

In all cases where the actual expenditure exceeded the original appropriation, the necessary authority was obtained by Treasury Board Order before the accounts were approved for payment.

Treasury Board Orders authorized and the expenditures relating thereto, shown in detail on pages 43-54 of this report, are summarized as follows:

	AUTHORIZED \$	EXPENDED \$	EXCESS OF AUTHORIZED OVER EXPENDED \$
General Expenditure.....	247,118,350	243,422,510	3,695,840
Disbursements and Charges.....	2,000,000	1,534,017	465,983
	<u>249,118,350</u>	<u>244,956,527</u>	<u>4,161,823</u>

The expenditures of \$244,956,527 form part of the total gross expenditure of \$3,376,028,334 referred to above and are not in addition thereto. The main items accounting for the expenditures of \$244,956,527 were Contributions to the Ontario Hospital Services Commission—operation of hospitals and related facilities, \$124,903,520 and General Legislative Grants, \$43,498,876.

It will be noted from the amounts shown in the statement of gross expenditure that the Voted Actual Gross Expenditure (which includes expenditures under Treasury Board Orders) is more than the total of the related gross estimates. The same situation exists with respect to Net Voted Expenditure as shown below:

	BUDGET \$	ACTUAL \$	ACTUAL OVER BUDGET \$
General Expenditure.....	2,891,709,700	3,020,830,856	129,121,156
Disbursements and Charges.....	162,496,000	141,072,304	(21,423,696)
	<u>3,054,205,700</u>	<u>3,161,903,160</u>	<u>107,697,460</u>

STATUTORY

The Estimates for statutory gross expenditure and the actual statutory gross expenditure, excluding capital debt transactions, are summarized as follows:

	ESTIMATES	ACTUAL	ACTUAL OVER ESTIMATES
	\$	\$	\$
General Expenditure.....	312,470,500	482,154,414	169,683,914
Disbursements and Charges.....	454,459,500	677,009,465	222,549,965
	<u>766,930,000</u>	<u>1,159,163,879</u>	<u>392,233,879</u>

The main items accounting for the excess expenditure of \$392,233,879 were advances to The Hydro-Electric Power Commission of Ontario, \$199,450,000, payments under The Health Services Insurance Act, 1968-69, \$157,888,693 and advances to The Ontario Education Capital Aid Corporation, \$25,550,000.

SPECIAL WARRANTS

During the year expenditures in the amount of \$1,382,845 were made under Special Warrants as authorized under subsection 1, section 29 of The Financial Administration Act.

Details of Special Warrants will be found on pages 55-56 of this report.

**PRINCIPAL ITEMS OF NET GENERAL REVENUE AND EXPENDITURE
FOR THE FISCAL YEAR ENDED MARCH 31, 1970**

An analysis of net general revenue and expenditure for the fiscal year ended March 31, 1970 showing percentages of each item to the total, classified by major categories, is presented in the following statements:

NET GENERAL REVENUE		
	\$	%
Personal Income Tax.....	762,086,481	23.09
Retail Sales Tax.....	637,263,927	19.31
Corporations Tax.....	477,173,456	14.46
Gasoline Tax.....	361,936,510	10.97
Liquor Profits, Gallonage Fees, etc.....	178,740,576	5.42
Ontario Health Insurance Plan Premiums.....	167,713,288	5.08
Motor Vehicle Licences and Permits, Fees, etc.....	144,711,791	4.38
Post-Secondary Education Adjustment Payment.....	105,014,004	3.18
Succession Duty.....	73,182,163	2.22
Tobacco Tax.....	71,695,372	2.17
Fees, Fines and Penalties—Justice.....	43,931,595	1.33
Motor Vehicle Fuel Tax.....	29,839,870	.90
Share of Federal Estate Tax.....	26,818,000	.81
Mines Profits, Acreage and Gas Taxes.....	24,541,464	.74
Technical and Vocational Training Agreement Payment.....	23,134,836	.70
Race Tracks Tax.....	20,873,048	.63
Other Revenue.....	152,120,062	4.61
	<u>3,300,776,443</u>	<u>100.00</u>

NET GENERAL EXPENDITURE

	\$	\$	%
Education—			
Department of Education.....	977,580,816		
Department of University Affairs.....	357,648,724		
		1,335,229,540	41.09
Health Services.....		548,085,564	16.87
Highways—Construction, Maintenance, etc.....		454,647,507	13.99
Municipal Services, Grants, etc.....		208,787,818	6.43
Social and Family Services.....		130,617,730	4.02
Administration of Justice, Law Enforcement, etc.....		100,468,954	3.09
Public Works—Construction, Maintenance, etc.....		84,531,869	2.60
Conservation of Forests, Fish and Wildlife.....		61,452,670	1.89
Debt Transactions—Interest, etc.....		60,523,626	1.86
Agricultural Services, Grants, etc.....		48,839,798	1.50
Correctional Services.....		45,101,756	1.39
Contributions to Employee Pensions, Insurance Plans, etc.....		38,153,663	1.18
Other Expenditure.....		132,803,686	4.09
		<u>3,249,244,181</u>	<u>100.00</u>

A graphic presentation of the four major items of net general revenue and net general expenditure, shown on pages 34-37 of this report, compares these items for the five years ended March 31, 1970.

The total net general revenue of the Province for the year ended March 31, 1970 was \$3,300,776,443, an increase of \$705,556,601 over that for the year ended March 31, 1969. This increase was accounted for mainly by increases in Personal Income Tax \$141,610,796, Corporations Tax \$144,209,594, Retail Sales Tax \$151,676,374, and Ontario Health Insurance Plan Premiums \$167,713,288. The last amount results from the Province's participation in universal medicare since October 1, 1969.

The total net general expenditure for the year was \$3,249,244,181, an increase of \$474,039,887 over the corresponding amount of the previous year. The main items accounting for this increase were education costs \$239,014,687 and health services \$181,209,113.

Education continues to be the most costly service provided by the Province. Expenditures by the Department of Education and the Department of University Affairs amounted to \$1,335,229,540 or 41.09% of the total net general expenditure for the year. In addition to the grant of \$10,048,000 to the Ontario Institute for Studies in Education included in the above amount, the Department of Public Works expended a total of \$2,438,714 on property purchases and building improvements for the Institute. Also, the Province advanced capital funds to The Ontario Education Capital Aid Corporation in the amount of \$200,550,000 and to The Ontario Universities Capital Aid Corporation in the amount of \$170,000,000. These advances were made to enable these corporations to invest in debentures issued by colleges, universities, and municipalities for educational purposes.

Net general expenditure on health services by the Department of Health totalled \$548,085,564 for the year, an increase of \$181,209,113 over that of the previous year. The main items accounting for this increase were the increase of \$66,404,791 in expenditures for Ontario Hospital Services and the net expenditures of \$92,923,093 under The Health Services Insurance Act, 1968-69. In addition to the net general expenditure of \$548,085,564, advances in the amount of \$25,779,199 were made for hospital capital financial assistance.

The above expenditures on health services include a transfer to Deposit and Trust Accounts of \$125,000,000 for the account of the Ontario Hospital Services Commission. The transfer of these funds, which were provided by Treasury Board Order in Vote 806, Item 2, was authorized by Order in Council.

Net expenditures by the Department of Highways totalled \$454,647,507, consisting of \$314,889,537 on road construction and \$139,757,970 on road maintenance, Go Transit, and other operating expenses.

The Department of Municipal Affairs expended a net amount of \$208,787,818 on municipal services, grants, etc. The main item of expenditure was the tax relief of \$123,845,791 provided under The Residential Property Tax Reduction Act, 1968. In addition, loans to municipalities, etc. were made in the amount of \$820,682.

Net expenditures on fixed assets were made during the year as follows:

	\$
Highways and Roads.....	318,960,754
Land and Buildings.....	56,015,252
General Works and Improvements.....	2,200,435
Provincial Parks.....	6,264,824
Rural Power Transmission Lines.....	1,410,989
	<u>384,852,254</u>

The Province contributed \$48,546,150 to the Teachers' Superannuation Fund in accordance with sections 23 and 24 of The Teachers' Superannuation Act and \$20,180,495 to the Public Service Superannuation Fund in accordance with section 8 of The Public Service Superannuation Act. In addition, payments were made to prevent any increase in the initial unfunded liability of each Fund as required by section 2 (12) of Ontario Regulation 103/66 under The Pensions Benefit Act, 1965. The payments made were \$14,889,000 to the Teachers' Superannuation Fund and \$4,131,000 to the Public Service Superannuation Fund on the estimated initial unfunded liability at January 1, 1965 of \$330,861,000 and \$82,616,000 respectively.

The actuarial report on the financial condition of the Public Service Superannuation Fund dated July 9, 1969 indicated a deficit of \$125,017,000 in the Fund as at December 31, 1967. This deficit is made up of the initial unfunded liability at January 1, 1965 of \$82,616,000 referred to above and an experience deficiency of \$42,401,000 occurring in the period January 1, 1965 to December 31, 1967. This experience deficiency of \$42,401,000 must be liquidated within five years of its disclosure. The actuary has stated that this requirement could be met by five annual payments of \$10,409,400 made as of March 31, 1970 to 1974 inclusive. The first payment of \$10,409,400 was made in April, 1970 and was charged to 1970-71 appropriations.

Some members of certain Boards and Commissions are contributing to the Public Service Superannuation Fund although apparently ineligible under existing legislation. If it is intended to provide superannuation benefits to these people, legislative amendments will have to be enacted.

The actuarial report on the financial condition of the Teachers' Superannuation Fund dated September 9, 1970 indicated an unfunded liability of

\$328,282,000 as at December 31, 1966. This is a reduction of \$2,579,000 from the estimated liability at January 1, 1965 of \$330,861,000 on which the Province has been paying $4\frac{1}{2}\%$ or \$14,889,000 annually.

The actuary reported on the reduction in liability and the next valuation of the Fund as follows:

"The net reduction in liability has come about mainly through the raising of the valuation interest rate from $4\frac{1}{2}\%$ in 1961 to 5% in 1966. In order to keep \$328,282,000 from growing at 5% interest, the Province should have been paying at least 5% of \$328,282,000 = \$16,414,100 annually into the Fund for each year since 1966. This means that there should be extra payments (above the \$14,889,000) of \$1,525,100 in respect of the years ending 31 December 1967, 1968, and 1969, respectively, and these three extra payments should be accumulated at 5% interest until they are actually received by the Fund.

The next valuation of the Fund is to be made as of 31 December 1969. Assuming that a valuation interest rate of 5% is used, we expect that the deficit disclosed in the 1969 valuation will be substantially higher than \$328,282,000, because of the rapid rise in salary levels during the three years 1966-1969. The corresponding rise during 1961-1966 was largely offset by the move from $4\frac{1}{2}\%$ to 5% in our interest assumption. It is very unlikely, however, that a further move, above 5% , can be justified for the 1969 valuation. We therefore expect that the 1969 valuation will disclose a sizeable "experience deficiency" (over and above the \$328,282,000) which will have to be liquidated within the five years following 1969, under regulation 2(3) (c) of The Pension Benefits Act, 1965."

During the year a repayment of \$925,393 was made to the Government of Canada under terms of the Canada-Ontario Tax Rental Agreement, 1952-56. This amount represents the excess of actual over estimated succession duty credits, with interest thereon, allowed by the Federal Department of National Revenue during the year ended March 31, 1969 in connection with estates of persons who died during the five year period from April 1, 1952 to March 31, 1957.

AUDIT OF REVENUE

A continuous post audit of the revenues of the Province is being maintained. Systematic examinations of the accounts of various Departments have been made during the year and included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as were considered necessary in the circumstances.

The Departments are directly responsible for the accuracy of revenue records, the efficiency of systems in operation, and the speed with which billings and assessments are made and collections effected. While, as Auditor, I am concerned with these factors, my prime interest is to examine the accounting systems and internal controls that are being maintained, and the extent of the internal audit function, if any, that is being performed in these areas. The information obtained as a result of these examinations is most important in determining the reliability of the accounting process and, subject to the following comments, enables me to be of the opinion that a proper accounting is being made of the revenue of the Province.

Reports on the various audits and examinations performed during the year have been submitted to the Ministers of the various Departments concerned, and to the officials of Boards and Commissions where applicable. Copies of these reports have been presented, as requested, to the Standing Committee on Public Accounts for its consideration. Recommendations and suggestions have been made, where necessary, for improvement in internal controls and in general efficiency of the accounting process. In all cases these recommendations and comments are followed up at subsequent visits to determine if the necessary corrective action has been taken. Any matter of sufficient importance that has not been acted upon within a reasonable time is the subject of comment in this Report.

Recommendations made in previous reports that had not been acted upon at the most recent examination of the related accounts and where no communication had been received from the Department as to corrective action taken, and other matters relating to the revenue of the Province are commented on as follows:

The report on the audit of revenue of the Department of Financial and Commercial Affairs dated July 3, 1970 and covering the period October 1, 1968 to March 31, 1970, indicated that it is still not possible to express an opinion that all revenues due and exigible have been collected or that all remittances received have been properly distributed in the accounts. The results of this examination were summed up in the final paragraph as follows:

"The most disappointing discovery of this audit was that little improvement was discerned in the records and internal controls from the time of the previous examination. It is appreciated that delay in carrying out previous audit recommendations was mainly because of the Organization and Methods Services Branch study and the need to give detailed consideration to the suggestions made in that report. However, it is hoped that better records will be kept and improved internal control exercised with the introduction of central registration in the Consumer Protection Division and the change in the cash handling procedures, particularly in the former area where the greatest need for better procedures was evident".

A net loss of \$81,264 was incurred through a defalcation at the Owen Sound branch of the Province of Ontario Savings Office. This net loss is comprised of a shortage of \$92,000 less recoveries of \$10,736, including \$7,000 from the bonding company.

In my report dated November 28, 1969 I expressed my concern about the existing accounting problems of Ontario Housing Corporation and the delay in closing its books and the submission of the statements for audit. The audit and report thereon of the Corporation for the year ended December 31, 1969 was not completed until November 4, 1970, almost two months later than the previous year. Again I must express my concern over the failure of the staff to carry out promptly and efficiently the accounting requirements of the Corporation.

AUDIT OF EXPENDITURE

A continuous examination of the accounts of expenditure of public moneys out of the Consolidated Revenue Fund, whether held in trust or otherwise, has been made during the year in accordance with the provisions of The Audit Act.

Under authority granted to the Provincial Auditor in section 9 (3) of The Audit Act, certain expenditure vouchers were admitted as satisfactory after determining that they had been examined and certified correct by the Department concerned and having regard to the character of the Departmental examination.

Under provisions of The Audit Act, no payment for expenditures from the Consolidated Revenue Fund may be made until the Provincial Auditor has satisfied himself that there is legislative authority for the payment, that there is a legislative appropriation sufficient to cover the proposed expenditure and that the payment is proper in all other respects.

During the year 99,851 requisitions for payment were received for pre-audit and 5,807 of these were returned for various reasons, including errors in the amount payable, for the necessary corrective action. Closely related to the pre-audit of expenditures is the checking of claims under Federal-Provincial shared cost agreements. A summary of changes in amounts of \$500 or over resulting from these examinations, and from revenue audits mentioned previously, is as follows:

	INCREASE \$	DECREASE \$
Expenditure Requisitions.....	89,737	660,432
Claims.....	507,002	17,574
Revenue Audits.....	186,965	8,334

Requisitions and journal entries in the amount of \$1,218,399 were returned to the Departments due to insufficient funds in the respective appropriations to pay the full amount requested as follows:

DEPARTMENT	No.	AMOUNT \$
Energy and Resources Management.....	4	196,227
Highways.....	1	16,058
Justice.....	203	654,930
Lands and Forests.....	1	10,000
Mines.....	1	96,368
Municipal Affairs.....	7	125,924
Public Works.....	11	51,389
Public Works—Government Stationery Account.	3	66,703
Treasury and Economics.....	1	800
	<u>232</u>	<u>1,218,399</u>

On March 31, 1970 the Department of Trade and Development submitted a requisition requesting payment of \$200,000 to the Ontario Research Foundation. This requisition was returned to the Department as it was not considered a proper charge to the fiscal year 1969-70. The 1969-70 portion of the \$1,000,000 grant to be paid in five annual installments as reported in the Legislature of Ontario Debates of 1968-69 page 6677, had been previously submitted and paid. By Treasury Board Order vote 2204 item 4 was increased and the additional grant of \$200,000 paid under authority of an Order in Council.

Expenditures for supplies purchased through the Government Pharmacy Account are not pre-audited since payment is made from accountable advance funds made available under authority of an Order in Council to finance this

operation. This Account, which is administered by the Department of Health, was established as of April 1, 1969 to provide a central agency for the purchase and distribution of drugs. The summary of operations of the Account for the year is shown in Part 27 of the Public Accounts for 1969-70 and indicates purchases of \$1,127,354 and distribution to Departments of \$812,207. In my opinion purchases of this nature should not be made from accountable advance funds. Therefore, I respectfully recommend that The Financial Administration Act be amended to provide for the operation of the Government Pharmacy Account on a basis similar to that of the Government Stationery Account.

A situation which I feel requires review and consideration is that of an Executive Officer in the Department of Trade and Development who is being reimbursed for living expenses while in Toronto and for travel to and from home. It would appear from an examination of expense account claims that attendance in Toronto is required on a full-time basis and therefore I respectfully recommend that consideration be given to establishing Toronto as this person's headquarters.

GENERAL

In a letter to the Treasurer of Ontario and Minister of Economics dated December 22, 1969 I expressed my concern over the extent and effectiveness of control procedures of computer installations being observed at the Departmental level. I recommended that basic standards be promulgated which will encompass the design, programming, program testing and operation of a computer used in processing financial information. Consequently, the Management Services Division of Treasury Board is now in the process of developing standards and controls on data processing applications.

STATEMENT OF ASSETS AND LIABILITIES

The Statement of Assets and Liabilities, which includes only those assets and liabilities which are deemed to affect Net Debt, is presented below:

PROVINCE OF ONTARIO STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 1970

ASSETS

	\$
Cash.....	540,442,892
Temporary Investments.....	104,867,328
Advances to Commissions.....	1,135,642,316
Advances and Investments—Crown Corporations.....	1,598,004,831
Loans to Municipalities.....	168,297,907
Other Loans and Investments.....	134,464,275
Fixed Assets.....	1
Inactive Assets.....	4,347,144
Total Assets.....	3,686,066,694
Less: Reserve for Inactive Assets.....	4,300,954
Net Realizable Assets.....	3,681,765,740
Net Debt.....	1,539,926,931
	<u>5,221,692,671</u>

LIABILITIES

		\$
Demand Deposits with the Province of Ontario Savings Office.....		104,165,090
Pension Funds.....		370,463,578
Deposit, Trust and Reserve Accounts.....		196,231,692
	\$	
Stock and Debentures.....	4,560,414,311	
Less: Held as Investments by the Province.....	<u>9,582,000</u>	
		4,550,832,311
		<u>5,221,692,671</u>
Contingent Liabilities:		
Bonds, etc., Guaranteed by the Province.....		2,168,251,723

I report hereunder on certain of the assets and liabilities as shown on the statement of assets and liabilities of the Province as at March 31, 1970. This statement and supporting schedules are shown in the Public Accounts for 1969-70 on pages 6-9.

ASSETS

CASH—\$540,442,892

	\$
Time Deposits.....	780,402,233
Bank Overdrafts.....	<u>239,959,341</u>
	540,442,892

Time deposit receipts were verified as at March 31, 1970 by letters of confirmation received direct from the banks concerned. The bank balances were confirmed by letters received direct from the depositaries and were checked to reconciliation statements prepared by officials of the Department of Treasury and Economics.

The Time Deposits of \$780,402,233 were comprised of deposits payable in hedged United States funds of \$118,482,844 with a book value of \$127,265,500 Canadian funds and in unhedged United States funds of \$608,230,365 with a book value of \$653,136,733 Canadian funds. Losses on exchange may occur on repatriation of the latter deposits as a result of the unpegging of the Canadian dollar on June 1, 1970. At the time of preparation of this report no such loss on exchange had been incurred.

Cash on hand in the various branches of the Province of Ontario Savings Office was certified by the respective branch managers and the cash on deposit in chartered banks was confirmed by direct correspondence with the banks concerned. The balance of cash on hand and in banks of the Savings Office, after elimination of Ontario Government funds, was transferred at the year end to funds on deposit with the Treasurer of Ontario. The branches of the Savings Office were examined by Head Office inspectors during the year.

TEMPORARY INVESTMENTS—\$104,867,328

	\$
Subject to repurchase agreements.....	49,400,000
Other.....	55,467,328
	<u>104,867,328</u>

Temporary investments were made under authority of section 20 of The Financial Administration Act to realize the maximum return on funds temporarily surplus to current requirements. The investments subject to repurchase agreements are made with the vendors of the securities who contract to pay interest at an agreed rate and to buy back the securities at a fixed date at the amount paid by the Province.

The securities, an analysis of which is shown in the Public Accounts for 1969-70 on page 49, were verified by actual count as at March 31, 1970.

ADVANCES TO COMMISSIONS—\$1,135,642,316

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—SECURED BY BONDS—\$881,784,000

Under provisions of The Power Commission Act, \$199,450,000 from the issue of debentures of the Province of Ontario was advanced to The Hydro-Electric Power Commission of Ontario during the year. The Commission repaid \$9,292,000 on account of redemptions prior to maturity, leaving a balance of \$881,784,000 outstanding as at March 31, 1970.

As security for the advances, the Province holds bonds of the Commission for the same principal amount with the same interest rate and terms as the related Province of Ontario debentures. Bonds of the Commission in the amount of \$881,784,000, held for safekeeping in the Securities Branch of the Department of Treasury and Economics, were verified by actual count as at March 31, 1970.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—UNSECURED—\$54,688,920

	\$
Nuclear Powered Generating Station.....	53,165,690
General.....	1,523,230
	<u>54,688,920</u>

Advances in the amount of \$19,529,110 were made to the Commission during the year, representing the Province's share of the capital costs of the first 2 units of a nuclear powered generating station at Pickering. The estimated capital cost of these 2 units is \$316,000,000 and under the terms of the agreement the

Province's share of this cost will be approximately \$85,306,000. The agreement also provides for monthly repayments by the Commission of this share of the cost commencing at the "in-service" date of the station.

During the year a repayment of \$1,072,860 was received on the general unsecured advance leaving a balance of \$1,523,230 outstanding at March 31, 1970. This balance will be liquidated by payments of \$1,119,358 and \$403,872 in the fiscal years ending March 31, 1971 and 1972, respectively.

ONTARIO WATER RESOURCES COMMISSION—

ADVANCES—\$156,447,461

This Commission was created in 1956 to assist Ontario municipalities in dealing with their financial and physical problems relating to water resources, sewage and pollution. Projects undertaken must be self-supporting, earning sufficient revenue to cover operating costs, rentals, interest charges and debt retirement over a reasonable time.

Advances in the net amount of \$29,664,999 were made to the Commission during the year, leaving a balance of \$156,447,461 outstanding at March 31, 1970.

ONTARIO NORTHLAND TRANSPORTATION COMMISSION—

ADVANCES—\$42,207,935

These advances were made to the Commission to provide funds for construction, equipment and the retirement of debenture debt. A portion of the advances in the amount of \$30,207,935 is non-interest bearing as provided for by Order in Council dated April 22, 1936. Advances of \$7,500,000 were made during the year to meet a debenture maturity and brought the current advances to \$12,000,000 at March 31, 1970. The rate of interest on current advances at March 31, 1970 was $8\frac{1}{2}\%$ per annum.

THE CROP INSURANCE COMMISSION OF ONTARIO—

ADVANCES—\$514,000

This Commission was established in 1966 to administer plans of crop insurance and related activities in Ontario and generally to administer The Crop Insurance Act (Ontario), 1966 and the Regulations made thereunder.

Advances in the amount of \$380,000 were made during the year, leaving a balance of interest-free advances of \$514,000 outstanding at March 31, 1970. The deposit of \$40,000 with the Treasurer of Ontario at March 31, 1969 was repaid during the year.

ADVANCES AND INVESTMENTS—CROWN CORPORATIONS—\$1,598,004,831

THE ONTARIO EDUCATION CAPITAL AID CORPORATION—

ADVANCES—\$671,631,249

The object of this Corporation, established in 1966, is to purchase from municipalities debentures issued by them for school board undertakings, public library purposes and grants to associations constituted for the promotion of the welfare and education of retarded children.

Advances of \$200,550,000 were made to the Corporation during the year and repayments of \$20,980,464 were received, leaving net advances of \$179,569,536 for the year. The interest paid on advances is equal to the net interest received by the Corporation from its investments and the rates are from $5\frac{1}{2}\%$ to $8\frac{1}{2}\%$ per annum.

The financial statements of the Corporation are shown in the Public Accounts for 1969-70 on pages 67-68.

THE ONTARIO UNIVERSITIES CAPITAL AID CORPORATION—

ADVANCES—\$658,999,917

This Corporation was established in 1964 with the object of purchasing from colleges and universities bonds or debentures issued by them for capital construction projects that have ministerial approval.

The advances bear interest at $5\frac{1}{2}\%$ to $8\frac{1}{2}\%$ per annum and are repayable to the Province in the same amounts as the yearly instalments become due on the debentures purchased by the Corporation. During the year under review \$170,000,000 was advanced to the Corporation and \$7,361,630 was repaid, leaving net advances of \$162,638,370 for the year.

Funds for the payment of principal instalments and interest on debentures by the colleges and universities are provided through grants made by the Department of Education and the Department of University Affairs. For the year ended March 31, 1970 these grants totalled \$37,338,265, being comprised of \$29,976,635 interest and \$7,361,630 principal instalments.

The financial statements of the Corporation are shown in the Public Accounts for 1969-70 page 69.

ONTARIO HOUSING CORPORATION—

ADVANCES—\$130,336,524

Ontario Housing Corporation was established in 1964 to assume the responsibility of the Province relative to existing and future agreements under The Housing Development Act. All assets acquired under this Act were vested in the Corporation together with all rights of the Province under existing agreements.

Net advances of \$41,764,498 were made to the Corporation during the year leaving a balance of \$130,336,524 outstanding at March 31, 1970. This balance is made up of advances of \$116,636,524 to December 31, 1969 as shown by the balance sheet of the Corporation and advances of \$13,700,000 made by the Treasurer of Ontario between January 1, 1970 and March 31, 1970.

The operations of the Corporation resulted in an excess of expenditure over revenue of \$6,011,118 for the year ended December 31, 1969. Funds to cover operating deficits are provided by the Province.

The financial statements of the Corporation for the year ended December 31, 1969 are shown in the Public Accounts for 1969-70 on pages 70-73.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN CORPORATION—

ADVANCES—\$92,300,000

This Corporation was incorporated in 1952 for the purpose of making loans to assist young qualified farmers in the establishment, development and operation of their farms. This program was discontinued on February 13, 1969.

The Province has paid the costs of administration and the Corporation has applied its revenue to the payment of interest on borrowed funds and amortization of discount on debentures. The interest charged on mortgage loans has not been sufficient to meet the cost of borrowed money and, therefore, the Corporation has operated at a deficit each year since 1958. The excess of expenditure over revenue for the current year was \$3,238,407, an increase of \$1,663,257 over that of the preceding year. Funds to cover operating deficits are provided by the Province.

During the year under review, net advances of \$3,900,000 were made to assist in financing 298 new loans, applications for which had been received prior to the announcement on February 13, 1969 that no further loans would be made under authority of The Junior Farmer Establishment Act. These new loans, after deducting 244 loans paid off, left 5667 loans outstanding at March 31, 1970. No confirmation of mortgage loans principal was obtained from the debtors concerned.

The financial statements of the Corporation are shown in the Public Accounts for 1969-70 on pages 74-75.

ONTARIO DEVELOPMENT CORPORATION—

INVESTMENT—\$ 7,000,000

ADVANCES— 16,482,249

—————\$23,482,249

This Corporation was established under The Ontario Development Corporation Act, 1966 with the objects of encouraging and assisting in the development and diversification of industry in Ontario.

The investment of \$7,000,000 is the cost of all 7,000 shares, each with a par value of \$1,000, authorized and issued by the Corporation.

The advances of \$16,482,249 consist of temporary advances of \$445,454 bearing interest at 10.15625% per annum at March 31, 1970 and non-interest bearing advances of \$16,036,795 made under the Equalization of Industrial Opportunity Programme and for Centralia Industrial Park.

The main operations for the year resulted in an excess of income over expense of \$698,691, after including the contribution of \$1,002,057 by the Province to cover expenses and loan forgiveness. The subsidiary operations at Centralia Industrial Park produced an operating surplus of \$157,815 for the year.

The financial statements of the Corporation are shown in the Public Accounts for 1969-70 on pages 76-79.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

ADVANCES—\$17,611,000

The Ontario Municipal Improvement Corporation was incorporated in 1950 for the purpose of purchasing debentures issued by Ontario municipalities and school boards for certain municipal works and school board undertakings.

The Corporation held, at March 31, 1970, debentures having a par value of \$43,015,178 and bearing interest at various rates from $3\frac{3}{4}\%$ to $9\frac{1}{2}\%$ per annum. The debentures are held for safekeeping by the Securities Branch of the Department of Treasury and Economics and were verified by actual count as at March 31, 1970.

Advances of \$5,158,000 were made and repayments of \$3,600,000 were received during the year by the Treasurer of Ontario, leaving net advances of \$1,558,000 for the year.

Administrative expenses have been paid by the Province and the revenue of the Corporation has been applied to the payment of interest on borrowed funds. The excess of revenue over expenditure of \$530,966 for the year under review was transferred to a General Reserve Account bringing the balance in that account to \$8,429,865 at March 31, 1970.

The financial statements of the Corporation are shown in the Public Accounts for 1969-70 on pages 80-81.

THE SHERIDAN PARK CORPORATION—

ADVANCES—\$3,270,000

The Sheridan Park Corporation was established in 1964 with the object of acquiring and developing land in a prescribed area for the purpose of research and ancillary services and generally for establishing a centralized research complex.

The total acreage of land available for sale did not change during the year but the book value, at cost, increased to \$2,828,350 due to the capitalization of various expenditures of \$269,477.

Advances of \$375,000 were made by the Treasurer of Ontario during the year, leaving a balance of \$3,270,000 outstanding at March 31, 1970 as shown by the books of the Province. The books of the Corporation show a balance of \$3,160,000 owing at March 31, 1970, the difference being an advance of \$110,000 by the Treasurer of Ontario at March 31, 1970 not recorded in the books of the Corporation until April 1, 1970.

The administration, control and beneficial use of the lands of the Corporation were transferred to the Ontario Development Corporation as of April 1, 1970. By Order in Council dated July 28, 1970 the lands of The Sheridan Park Corporation were sold to the Ontario Development Corporation at a price of \$7,300 per acre.

The financial statements of The Sheridan Park Corporation are shown in the Public Accounts for 1969-70 on pages 82-83.

ONTARIO STUDENT HOUSING CORPORATION—

ADVANCES—\$373,892

This Corporation was established in 1966 under The Housing Development Act for the purpose of developing housing projects for students and their families.

Net repayments of advances of \$2,810,000 were received from the Corporation during the year, leaving a balance of \$373,892 outstanding at March 31, 1970. This balance is made up of advances of \$5,583,892 to December 31, 1969 as shown by the balance sheet of the Corporation less net repayments of \$5,210,000 by the Corporation, between January 1, 1970 and March 31, 1970.

The operations of the Corporation for the year ended December 31, 1969 resulted in an excess of expenditure over revenue of \$1,750,930. Funds to cover operating deficits are provided by the Province.

The financial statements of the Corporation are shown in the Public Accounts for 1969-70 on pages 84-86.

LOANS TO MUNICIPALITIES—\$168,297,907

	\$
Municipal Debentures—	
Township of Atikokan.....	19,400
Township of Elliot Lake.....	3,601,200
Town of Kapuskasing.....	1,568,055
Improvement District of Manitouwadge.....	473,100
The Municipality of Metropolitan Toronto.....	55,039,000
City of Windsor.....	545,168
The Municipal Works Assistance Act, 1963.....	90,945,641
Tile Drainage Debentures.....	16,106,343
	<u>168,297,907</u>

The amount of \$55,039,000 owing by The Municipality of Metropolitan Toronto at March 31, 1970 is the balance outstanding on debentures issued for subway purposes. Repayments totalling \$1,063,000 were received during the year.

No loans were made during the year under The Municipal Works Assistance Act, 1963 as this program has been completed. Repayments of \$3,798,602 were received during the year leaving the balance of \$90,945,641 outstanding at March 31, 1970.

Tile Drainage debentures are held in safekeeping by a chartered bank and were confirmed as at March 31, 1970 by a test examination. The various municipal debentures, held in safekeeping by the Securities Branch of the Department of Treasury and Economics, were confirmed by actual count as at March 31, 1970.

OTHER LOANS AND INVESTMENTS—\$134,464,275

THE PUBLIC HOSPITALS ACT—\$91,995,298

This amount represents advances made to the Ontario Hospital Services Commission under authority of The Public Hospitals Act for the purpose of making loans and providing capital financial assistance to hospitals. During the year advances of \$25,779,199 were made and repayments of \$3,437,585 were received, leaving the balance of \$91,995,298 outstanding at March 31, 1970.

LIQUOR CONTROL BOARD OF ONTARIO—

INVESTMENT—\$25,074,515

The above amount is the Retained Income of the Board as at March 31, 1970, held to finance its operations. Details of this investment are shown in the Public Accounts for 1969-70 on page 52.

MISCELLANEOUS—\$17,394,462

	\$
Conservation Authorities.....	1,147,531
Provincial Student-Aid Loans.....	2,240,858
Sandwich, Windsor and Amherstburg Railway Company—Bonds....	2,500,000
The Co-operative Loans Act.....	2,857,943
The Municipal and School Tax Credit Assistance Act, 1967.....	1,031,688
The Sault Ste. Marie Bridge Act, 1960:	
International Bridge Authority of Michigan—Bonds.....	7,615,072
St. Mary's River Bridge Company—Shares.....	1,370
	<u>17,394,462</u>

The balance of \$2,240,858 under Provincial Student-Aid Loans is the total of the principal owing on 5,027 loans at March 31, 1970. During the year repayments of \$684,745 were received, including the repayment of 608 loans in full. In addition, 1876 loans with principal of \$10,427 were written off as uncollectable.

The Sandwich, Windsor and Amherstburg Railway Company balance of \$2,500,000 consists of 2% bonds in the amount of \$400,000 due June 30, 1970-77 and 3% bonds in the amount of \$2,100,000 due April 1, 1980. A special Sinking Fund to meet this latter maturity is held by the Treasurer of Ontario in Deposit and Trust Accounts. This Sinking Fund, on which interest at 5% per annum is payable semi-annually, had accumulated to \$1,633,807 at March 31, 1970.

Reimbursements to municipalities for credits and refunds allowed in accordance with the provisions of The Municipal and School Tax Credit Assistance Act, 1967 amounted to \$420,682 during the year. Repayments of \$68,960 were received, leaving a balance of \$1,031,688 outstanding at March 31, 1970.

The International Bridge Authority of Michigan bonds with a par value of \$7,850,000 were acquired in 1960 at a cost of \$7,615,072. These bonds bear interest at the rate of 6% per annum but under the terms of the agreement interest is payable only as funds are available from operations. During the year payments of \$182,893 were received from the Trustee on account of interest accruing in the amount of \$471,000 annually. The accumulated balance of interest remaining unpaid at March 1, 1970 was \$4,058,446.

Bonds of the Sandwich, Windsor and Amherstburg Railway Company, the International Bridge Authority of Michigan and shares of the St. Mary's River Bridge Company, held in safekeeping in the Securities Branch of the Department of Treasury and Economics, were confirmed by actual count as at March 31, 1970.

FIXED ASSETS—\$1

Expenditures on fixed assets are treated as general expenditures of each fiscal year and their value is shown in the statement of assets and liabilities at a nominal value of one dollar. The detailed records, which are maintained for internal control purposes, indicate the following investment at March 31, 1970.

	\$	\$
Highways and Roads—Expenditures.....	3,766,121,991	
Less: Expenditures to March 31, 1940, written off.....	316,940,607	
		3,449,181,384
Rural Power Transmission Lines—		
Bonus 1927-70.....	120,907,635	
Less: Bonus to March 31, 1940 written off.....	15,583,243	
		105,324,392
Land, Buildings, Public Works, etc.....		779,996,002
The Niagara Parks Commission—Equity (October 31, 1969).....		9,952,394
The St. Lawrence Parks Commission—Equity (March 31, 1970).....		11,751,308
Huron Historical Parks—Equity (March 31, 1970).....		3,026,105
		4,359,231,585
Less: Amount written off.....		4,359,231,584
		<u>1</u>

INACTIVE ASSETS—\$4,347,144

	\$
Government of Canada.....	4,300,954
Settlers' Loans.....	46,190
	<u>4,347,144</u>

Details of the Government of Canada account, consisting of Debt Account \$2,848,289 and Common School Fund, \$1,452,665 were given in my report of 1968-69. Interest at 5% per annum has been received in 1969-70 in accordance with existing arrangements.

Repayments on behalf of Settlers' Loans in the amount of \$413 were received during the year.

RESERVE FOR INACTIVE ASSETS—\$4,300,954

A reserve for the full amount of the Government of Canada account has been provided since the present agreement does not call for liquidation of the principal amount.

NET DEBT—\$1,539,926,931

The Net Debt of the Province decreased by an amount of \$51,532,262 during the year. The factors accounting for this decrease were an increase of \$918,037,865 in Net Realizable Assets less increases of \$731,857,998 in the net liability for Stock and Debentures and \$134,647,605 in other borrowings.

LIABILITIES

DEMAND DEPOSITS WITH THE PROVINCE OF ONTARIO SAVINGS OFFICE—
\$104,165,090

This amount is made up of current deposits of \$104,057,964 and unclaimed balances of \$107,126. The balance sheet of the Savings Office as at March 31, 1970 is shown in the Public Accounts for 1969-70 on page 53.

PENSION FUNDS—\$370,463,578

PUBLIC SERVICE SUPERANNUATION FUND—\$369,163,317

During the year under review \$66,090,738 was received by the Fund and disbursements of \$23,649,597 were made from the Fund, leaving the balance of \$369,163,317 on deposit with the Treasurer of Ontario at March 31, 1970. A statement of the Fund is shown in the Public Accounts for 1969-70 on pages 54-55.

LEGISLATIVE ASSEMBLY RETIREMENT ALLOWANCES ACCOUNT—
\$1,300,261

This is the balance in the account on deposit with the Treasurer of Ontario at March 31, 1970. A statement of the account is shown in the Public Accounts for 1969-70 on page 55.

DEPOSIT, TRUST AND RESERVE ACCOUNTS—\$196,231,692

DEPOSIT AND TRUST ACCOUNTS—\$192,815,384

A listing of the accounts making up this liability is shown in the Public Accounts for 1969-70 on page 56. The main item in this liability is the balance of \$147,000,000 in the special account for the Ontario Hospital Services Commission.

RESERVES—\$2,876,125

Details of Reserves are shown in the Public Accounts for 1969-70 on page 9.

MISCELLANEOUS—\$540,183

This amount is the balance outstanding on the mortgage assumed on acquisition of the property at 880 Bay Street, Toronto.

STOCK AND DEBENTURES—\$4,560,414,311

Less: Held as Investments by the
Province

9,582,000

\$4,550,832,311

During the year the Province issued Stock and Debentures in the amount of \$771,927,000 and redeemed or cancelled debentures in the amount of \$172,838,502, including \$99,219,000 through the Sinking Fund, for a net increase in this liability of \$599,088,498 for the year. Debentures in the amount of \$9,582,000, held as investments by the Province at March 31, 1970, were not cancelled and therefore have been deducted from the gross liability. Details of Stock and Debentures outstanding at March 31, 1970 are shown in the Public Accounts for 1969-70 on pages 60-65.

As mentioned in my report for 1968-69, the provision for Sinking Fund and the Fund itself were discontinued as of April 1, 1969. The Province of Ontario debentures held in the Fund were cancelled and other securities were acquired as investments of the Province.

CONTINGENT LIABILITIES—\$2,168,251,723

Bonds, etc., guaranteed by the Province of Ontario.....	\$ 2,195,517,223
Less: Held as investments.....	27,265,500
	<hr/> 2,168,251,723 <hr/>

Details of contingent liabilities are shown in the Public Accounts for 1969-70 on pages 87-89.

CHARTS AND STATEMENTS

Charts showing the trend in certain major items of Net General Revenue and Net General Expenditure appear on pages 34-37 of this report. The following statements will be found on pages 38-42.

Consolidated Revenue Fund

Comparative Statement of Interim and Actual Net General Revenue

Comparative Statement of Interim and Actual Net General Expenditure

Comparative Statement of Interim and Actual Non-Budgetary Transactions

Statements showing details of Treasury Board Orders issued for the authorization of expenditures in excess of appropriations and Special Warrants issued during the fiscal year ended March 31, 1970 are submitted in separate sections immediately following the statements referred to above.

I am very pleased to have this opportunity to acknowledge the willing co-operation and effective help of the officials and staff of the various Departments, Boards and Commissions during the conduct of the audit.

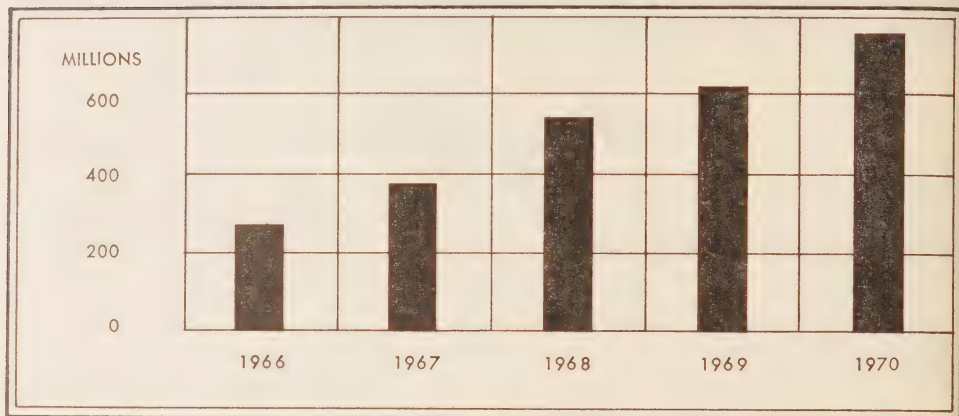
A handwritten signature in cursive script that reads "George H. Spence F.C.A.".

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Toronto, November 27, 1970.

MAJOR ITEMS OF NET COMPARED FOR THE FIVE

PERSONAL INCOME TAX

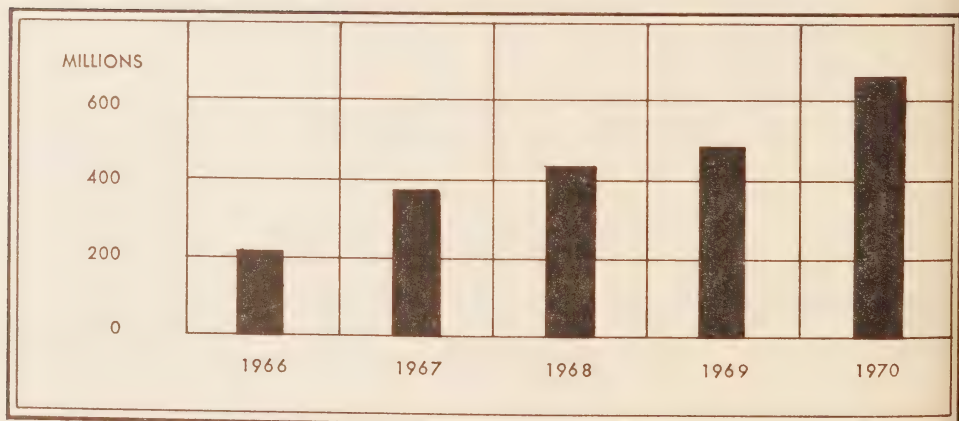


YEAR ENDED
MARCH 31

AMOUNT

1966	.....	\$ 292,403,842
1967	.....	393,836,627
1968	.....	551,003,573
1969	.....	620,475,685
1970	.....	762,086,481

RETAIL SALES TAX



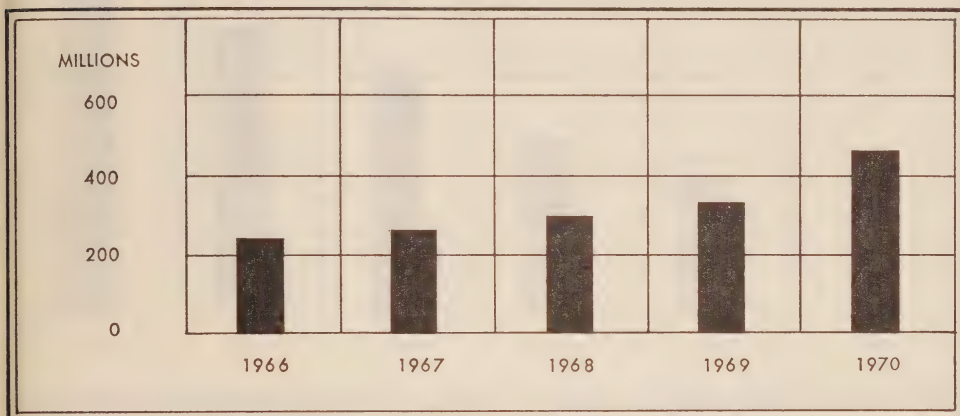
YEAR ENDED
MARCH 31

AMOUNT

1966	.....	\$ 220,998,196
1967	.....	385,574,600
1968	.....	435,666,243
1969	.....	485,587,553
1970	.....	637,263,927

GENERAL REVENUE
YEARS ENDED MARCH 31, 1970

CORPORATIONS TAX

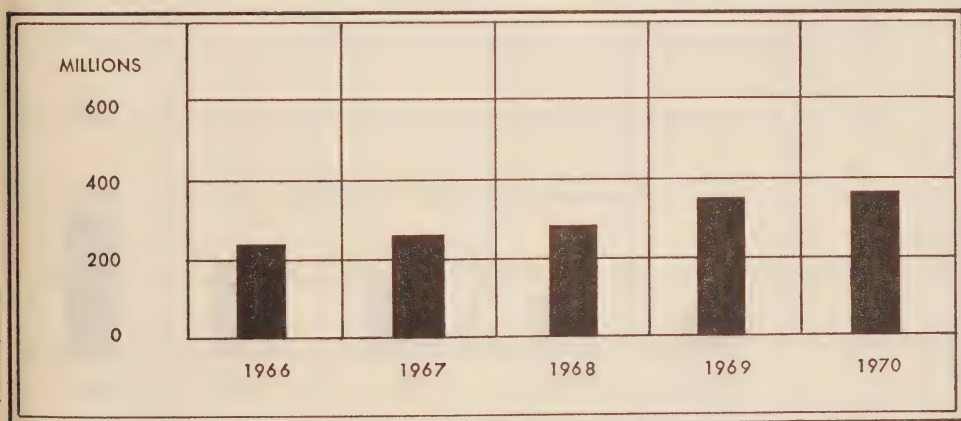


YEAR ENDED
MARCH 31

AMOUNT

1966	.....	\$ 252,375,741
1967	.....	274,499,829
1968	.....	302,272,738
1969	.....	332,963,862
1970	.....	477,173,456

GASOLINE TAX



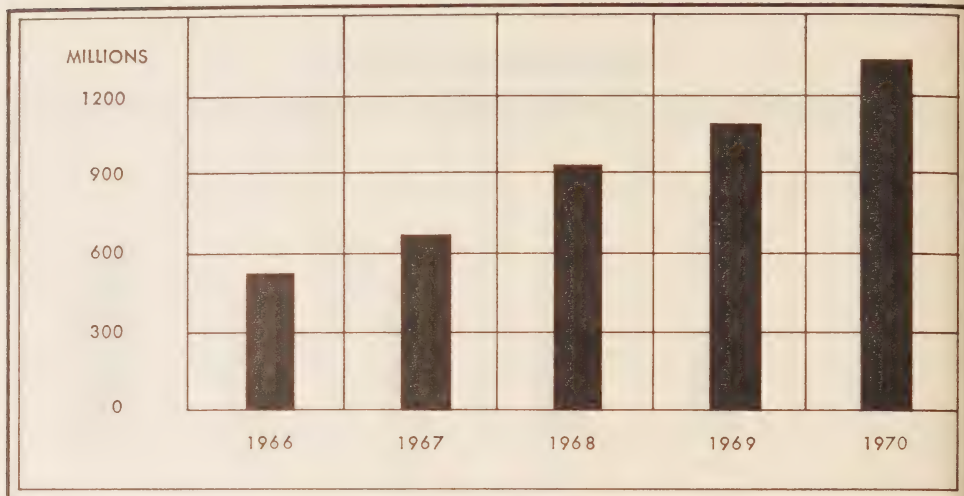
YEAR ENDED
MARCH 31

AMOUNT

1966	.....	\$ 236,829,198
1967	.....	266,391,391
1968	.....	283,220,886
1969	.....	337,283,978
1970	.....	361,936,510

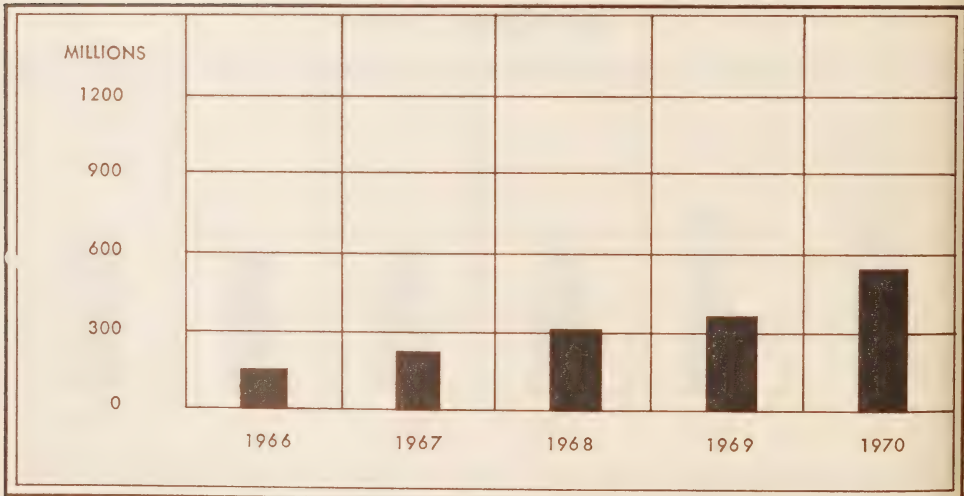
MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

EDUCATION



YEAR ENDED MARCH 31	AMOUNT
1966	\$ 513,104,150
1967	660,114,577
1968	907,373,717
1969	1,096,214,853
1970	1,335,229,540

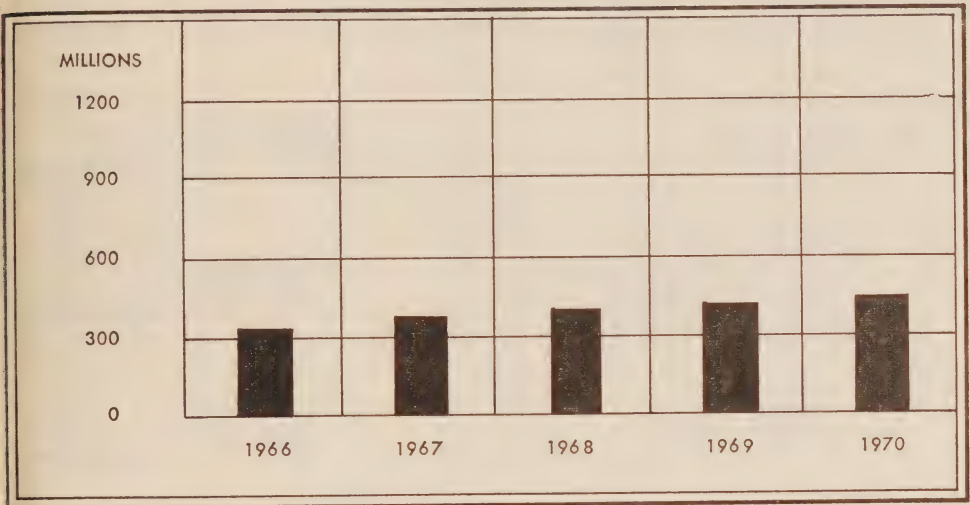
HEALTH SERVICES



YEAR ENDED MARCH 31	AMOUNT
1966	\$ 164,044,765
1967	213,241,515
1968	314,235,937
1969	366,876,451
1970	548,085,564

GENERAL EXPENDITURE
YEARS ENDED MARCH 31, 1970

HIGHWAYS and ROADS

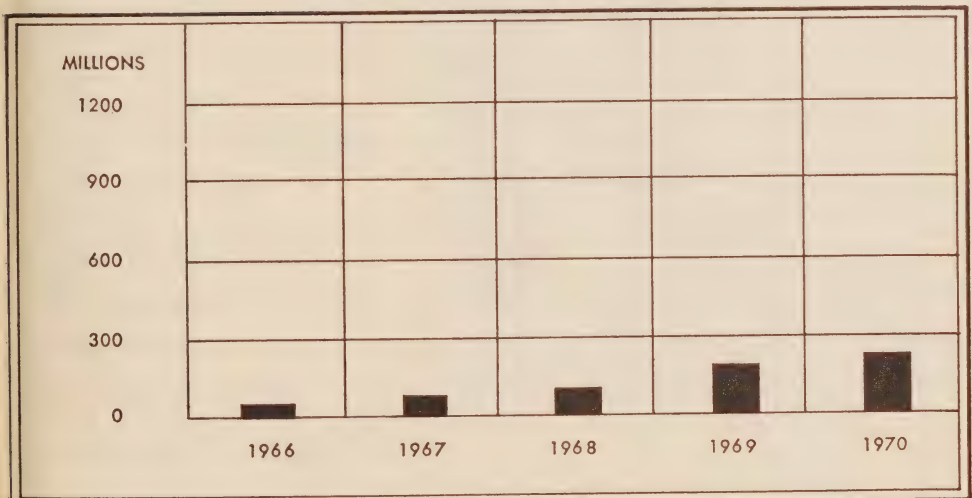


YEAR ENDED
MARCH 31

AMOUNT

1966	.....	\$ 336,146,806
1967	.....	390,567,594
1968	.....	423,026,272
1969	.....	438,640,542
1970	.....	454,647,507

MUNICIPAL SERVICES



YEAR ENDED
MARCH 31

AMOUNT

1966	.....	\$ 46,817,525
1967	.....	50,196,950
1968	.....	69,430,184
1969	.....	186,154,453
1970	.....	208,787,818

CONSOLIDATED REVENUE FUND
FOR FISCAL YEAR ENDED MARCH 31, 1970

OPENING BALANCE	\$	\$
Cash and temporary investments.....		394,240,661
 BUDGETARY TRANSACTIONS		
Net general revenue.....	3,300,776,443	
Net general expenditure.....	(3,249,244,181)	
		<u>51,532,262</u>
 NON-BUDGETARY TRANSACTIONS		
Receipts and credits.....	328,893,567	
Disbursements and charges.....	(818,081,769)	
		<u>(489,188,202)</u>
 DEBT TRANSACTIONS		
Proceeds of loans.....	771,927,000	
Loans matured or retired.....	(73,619,501)	
		<u>698,307,499</u>
 CLOSING BALANCE		
Cash and temporary investments.....	645,310,220	
Ontario debentures held as investments.....	9,582,000	
		<u><u>654,892,220</u></u>

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET GENERAL
REVENUE FOR THE FISCAL YEAR APRIL 1, 1969 TO MARCH 31, 1970**

	INTERIM NET GENERAL REVENUE	ACTUAL NET GENERAL REVENUE	ACTUAL TO INTERIM	
			INCREASE	DECREASE
	\$	\$	\$	\$
Taxation:				
Personal Income Tax Collection				
Agreement.....	762,000,000	762,086,481	86,481	
Retail Sales Tax.....	636,900,000	637,263,927	363,927	
Corporations Tax.....	480,000,000	477,173,456		2,826,544
Gasoline Tax.....	358,000,000	361,936,510	3,936,510	
Succession Duty.....	72,000,000	73,182,163	1,182,163	
Tobacco Tax.....	70,600,000	71,695,372	1,095,372	
Motor Vehicle Fuel Tax.....	29,700,000	29,839,870	139,870	
Share of Federal Estate Tax.....	26,800,000	26,818,000	18,000	
Mines Profits, Acreage, Gas.....	24,400,000	24,541,464	141,464	
Race Tracks Tax.....	20,700,000	20,873,048	173,048	
Land Transfer Tax.....	14,800,000	14,548,059		251,941
Income Tax—Public Utilities.....	8,700,000	8,795,404	95,404	
Security Transfer Tax.....	7,000,000	6,962,007		37,993
Logging Tax.....	1,800,000	1,977,227	177,227	
Hospitals Tax.....	800,000	838,165	38,165	
Other Taxation.....	4,000,000	4,011,830	11,830	
Total Tax Revenue.....	2,518,200,000	2,522,542,983	7,459,461	3,116,478
Other Revenue:				
Treasury and Economics				
Post-Secondary Education				
Adjustment Payment.....	104,000,000	105,014,004	1,014,004	
Water Power Rentals.....	9,500,000	9,074,092		425,908
Other.....	5,100,000	5,203,637	103,637	
	118,600,000	119,291,733	1,117,641	425,908
Liquor Control Board of Ontario..	182,000,000	178,740,576		3,259,424
Health.....	179,900,000	179,294,279		605,721
Transport.....	145,000,000	144,711,791		288,209
Justice.....	44,300,000	44,380,726	80,726	
Lands and Forests.....	37,000,000	37,484,848	484,848	
Education.....	19,900,000	27,041,441	7,141,441	
Financial and Commercial Affairs..	6,200,000	5,916,816		283,184
Labour.....	4,900,000	4,990,371	90,371	
Public Works.....	4,400,000	6,333,619	1,933,619	
Agriculture and Food.....	4,100,000	4,058,743		41,257
Highways.....	4,000,000	4,175,003	175,003	
Correctional Services.....	3,900,000	773,507		3,126,493
Tourism and Information.....	2,400,000	2,492,731	92,731	
Mines.....	2,000,000	2,113,835	113,835	
Other Departments.....	15,200,000	16,433,441	1,233,441	
Total Other Revenue.....	773,800,000	778,233,460	12,463,656	8,030,196
Total Net General Revenue.....	3,292,000,000	3,300,776,443	19,923,117	11,146,674

*11 months' actual—1 month's forecast.

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET GENERAL
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1969 TO MARCH 31, 1970**

	INTERIM NET GENERAL EXPENDITURE	ACTUAL NET GENERAL EXPENDITURE	ACTUAL TO INTERIM INCREASE	DECREASE
	\$	\$	\$	\$
Education.....	974,845,000	977,580,816	2,735,816	
Health.....	567,715,000	548,085,564		19,629,436
Highways.....	453,679,000	454,647,507	968,507	
University Affairs.....	358,884,000	357,648,724		1,235,276
Municipal Affairs.....	206,653,000	208,787,818	2,134,818	
Social and Family Services.....	116,333,000	130,617,730	14,284,730	
Justice.....	99,678,000	100,468,954	790,954	
Public Works.....	83,854,000	84,531,869	677,869	
Public Debt—Interest.....	71,581,000	60,523,625		11,057,375
Lands and Forests.....	63,511,000	61,452,670		2,058,330
Agriculture and Food.....	49,737,000	48,839,798		897,202
Treasury and Economics.....	48,561,000	46,900,015		1,660,985
Correctional Services.....	48,154,000	45,101,756		3,052,244
Energy and Resources Management.....	26,265,000	26,458,578	193,578	
Trade and Development.....	21,397,000	23,196,515	1,799,515	
Labour.....	14,043,000	14,401,920	358,920	
Tourism and Information.....	13,719,000	13,131,953		587,047
Transport.....	13,093,000	13,120,230	27,230	
Revenue.....	10,225,000	10,355,724	130,724	
Provincial Secretary and Citizenship.....	7,993,000	6,900,319		1,092,681
Mines.....	6,892,000	6,741,418		150,582
Financial and Commercial Affairs....	4,281,000	4,319,983	38,983	
Civil Service.....	2,631,000	2,334,607		296,393
Treasury Board.....	1,536,000	1,587,877	51,877	
Provincial Auditor.....	812,000	838,203	26,203	
Prime Minister.....	398,000	399,941	1,941	
Lieutenant Governor.....	39,000	39,256	256	
Government Stationery Account.....		230,811	230,811	
Total Net General Expenditure.....	<u>3,266,509,000</u>	<u>3,249,244,181</u>	<u>24,452,732</u>	<u>41,717,551</u>

*11 months' actual—1 month's forecast.

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1969 TO MARCH 31, 1970**

	INTERIM NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO INTERIM INCREASE	DECREASE
	\$	\$	\$	\$
Receipts and Credits				
Proceeds of Non-Public Debenture Issues:				
Canada Pension Plan.....	445,800,000	445,777,000		23,000
Ontario Municipal Employees Retirement Fund.....	46,700,000	46,700,000		
Teachers' Superannuation Fund.....	80,000,000	80,000,000		
	<u>572,500,000</u>	<u>572,477,000</u>		<u>23,000</u>
Debenture Issues on behalf of The Hydro-Electric Power Commission of Ontario.....	<u>199,450,000</u>	<u>199,450,000</u>		
Sinking Fund Investments Transferred to Liquid Reserves.....	<u>43,130,000</u>	<u>43,132,500</u>	<u>2,500</u>	
Province of Ontario Savings Office Deposits (Net).....		<u>1,743,072</u>	<u>1,743,072</u>	
Repayment of Loans and Advances:				
The Hydro-Electric Power Commission of Ontario.....	10,400,000	10,364,859		35,141
The Municipal Works Assistance Act.....	3,800,000	3,798,602		1,398
The Ontario Municipal Improvement Corporation.....	3,600,000	3,600,000		
The Ontario Universities Capital Aid Corporation.....	7,400,000	7,361,630		38,370
The Ontario Education Capital Aid Corporation.....	20,200,000	20,980,464	780,464	
Ontario Development Corporation.....	1,400,000	1,407,865	7,865	
Ontario Hospitals re Hospital Construction Loans.....	4,000,000	3,437,586		562,414
Other.....	13,200,000	17,839,629	4,639,629	
	<u>64,000,000</u>	<u>68,790,635</u>	<u>5,427,958</u>	<u>637,323</u>
Pension Funds, Deposit, Trust and Reserve Accounts:				
Sales of Vacation-with-Pay Stamps.....	2,800,000	2,789,978		10,022
Public Service Superannuation Fund.....	78,400,000	66,090,738		12,309,262
Motor Vehicle Accident Claims Fund.....	8,000,000	8,116,817	116,817	
Ontario Hospital Services Commission—Special Account for Premium Stabilization.....	125,000,000	125,000,000		
Ontario Municipal Employees Retirement Fund.....	12,000,000	10,100,000		1,900,000
Other.....	700,000	3,129,827	2,429,827	
	<u>226,900,000</u>	<u>215,227,360</u>	<u>2,546,644</u>	<u>14,219,284</u>
Total Receipts and Credits.....	<u>1,105,980,000</u>	<u>1,100,820,567</u>	<u>9,720,174</u>	<u>14,879,607</u>

*11 months' actual—1 month's forecast.

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1969 TO MARCH 31, 1970
(Continued)**

	INTERIM NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO INTERIM INCREASE	DECREASE
	\$	\$	\$	\$
Disbursements and Charges				
Loans and Advances:				
The Ontario Municipal Improve- ment Corporation.....	5,500,000	5,158,000		342,000
Ontario Housing Corporation and Ontario Student Housing Cor- poration.....	40,200,000	44,575,000	4,375,000	
The Ontario Universities Capital Aid Corporation.....	170,000,000	170,000,000		
The Ontario Education Capital Aid Corporation.....	200,000,000	200,550,000	550,000	
Ontario Water Resources Com- mission.....	30,800,000	29,967,932		832,068
The Ontario Junior Farmer Establishment Loan Cor- poration.....	11,300,000	11,000,000		300,000
Hospital Capital Financial Assistance.....	25,800,000	25,779,199		20,801
The Hydro-Electric Power Com- mission of Ontario.....	199,450,000	199,450,000		
The Hydro-Electric Power Com- mission of Ontario re Nuclear Powered Generating Station...	20,000,000	19,529,110		470,890
Ontario Development Cor- poration.....	15,100,000	15,213,563	113,563	
Tile Drainage Debentures.....	5,000,000	5,068,200	68,200	
Ontario Northland Transporta- tion Commission.....	7,500,000	7,500,000		
Other.....	1,400,000	1,927,938	527,938	
	<u>732,050,000</u>	<u>735,718,942</u>	<u>5,634,701</u>	<u>1,965,759</u>
 Pension Funds, Deposit, Trust and Reserve Accounts:				
Redemption of Vacation-with- Pay Stamps.....	7,000,000	6,688,017		311,983
Public Service Superannuation Fund.....	24,000,000	23,649,597		350,403
Motor Vehicle Accident Claims Fund.....	7,300,000	7,305,769	5,769	
Ontario Hospital Services Com- mission—Special Account for Premium Stabilization.....	27,000,000	27,000,000		
Health Insurance Registration Board—Premiums Paid in Advance.....	6,800,000	6,751,809		48,191
Ontario Municipal Employees Retirement Fund.....	10,200,000	10,222,117	22,117	
Other.....	1,200,000	745,518		454,482
	<u>83,500,000</u>	<u>82,362,827</u>	<u>27,886</u>	<u>1,165,059</u>
 Total Disbursements and Charges...	<u>815,550,000</u>	<u>818,081,769</u>	<u>5,662,587</u>	<u>3,130,818</u>
 Surplus on Non-Budgetary Transac- tions.....	<u>290,430,000</u>	<u>282,738,798</u>	<u>4,057,587</u>	<u>11,748,789</u>

*11 months' actual—1 month's forecast.

TREASURY BOARD ORDERS

**STATEMENT OF TREASURY BOARD ORDERS ISSUED FOR THE
AUTHORIZATION OF EXPENDITURES IN EXCESS OF APPROPRIATIONS
DURING THE FISCAL YEAR ENDED MARCH 31, 1970**

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	GENERAL EXPENDITURE		
	Department of Agriculture and Food		
April 8, 1970	Departmental Administration:		
	Salaries.....	30,000.00	10,077.61
Feb. 25, 1970	Agricultural Production:		
	Livestock grants, subsidies and compensation payments.....	50,000.00	13,860.76
Jan. 7, 1970	Rural Development:		
	Grants under The Community Centres Act....	500,000.00	499,999.00
Jan. 7, 1970	Agricultural Marketing:		
	Rabies Indemnity payments.....	50,000.00	41,789.00
		630,000.00	565,726.37
	Department of Civil Service		
April 1, 1970	Departmental Administration:		
	Maintenance.....	13,000.00	12,274.93
Jan. 7, 1970	Personnel Development:		
	Salaries.....	*70,000.00	
		83,000.00	12,274.93
	Department of Correctional Services		
	Departmental Administration:		
Feb. 11, 1970	Salaries:		
April 8, 1970	Order.....\$ 57,000.00		
	Order.....15,000.00		
		72,000.00	63,452.80
Feb. 11, 1970	Travelling expenses.....	27,000.00	24,949.00
Feb. 11, 1970	Other payments.....	30,500.00	26,863.14
	Rehabilitation of Adult Offenders:		
Mar. 4, 1970	Salaries:		
April 8, 1970	Order.....\$700,000.00		
	Order.....65,000.00		
		765,000.00	723,203.01
Mar. 4, 1970	Maintenance.....	902,000.00	899,925.43
Feb. 11, 1970	Travelling and other expenses of bailiffs and prisoners.....	4,000.00	3,997.66
	Rehabilitation of Juveniles:		
April 8, 1970	Salaries.....	26,000.00	4,161.20
Mar. 4, 1970	Travelling expenses.....	25,000.00	17,799.69
Mar. 4, 1970	Maintenance.....	45,000.00	44,256.11
Mar. 4, 1970	Training Schools Advisory Board—		
	allowances and expenses.....	1,000.00	943.80
Feb. 3, 1970	Grants to private training schools.....	416,000.00	415,998.83
		2,313,500.00	2,225,550.67

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Education		
	Departmental Administration:		
	Grants:		
Feb. 18, 1970	Order.....	\$250,000.00	
Mar. 11, 1970	Order.....	114,000.00	
April 15, 1970	Order.....	691,000.00	
		1,055,000.00	1,054,814.00
	Assistance to School Authorities:		
Feb. 25, 1970	General Legislative Grants.....	43,500,000.00	43,498,875.74
Feb. 25, 1970	Payments to school boards, etc. in respect of Canada Pension Plan.....	632,000.00	597,426.00
	Continuing Education:		
	Grants to Colleges of Applied Arts and Technology, etc.:		
Mar. 11, 1970	Order.....	\$3,693,500.00	
April 15, 1970	Order.....	414,000.00	
		4,107,500.00	4,060,502.20
	Community Services:		
Jan. 28, 1970	Leadership Training Courses and Conferences, etc.—services, travelling expenses, etc.....	21,000.00	2,531.68
Feb. 25, 1970	Ontario Fitness Program—services, expenses, grants, etc.....	174,000.00	174,000.00
		49,489,500.00	49,388,149.62
	Department of Energy and Resources Management		
	Departmental Administration:		
Mar. 18, 1970	Salaries.....	80,000.00	77,792.05
Mar. 18, 1970	Travelling expenses.....	3,000.00	1,262.10
Mar. 18, 1970	Maintenance.....	108,500.00	91,637.32
Mar. 18, 1970	Charges for data processing services.....	2,000.00	1,071.03
	Energy Resources Management:		
	Salaries:		
Mar. 18, 1970	Order.....	\$ 30,000.00	
April 15, 1970	Order.....	7,000.00	
		37,000.00	36,244.23
Mar. 18, 1970	Well plugging.....	20,000.00	17,692.37
	Ontario Energy Board:		
April 15, 1970	Salaries.....	4,000.00	3,131.12
Mar. 18, 1970	Hearing costs.....	15,000.00	15,000.00
	Renewable Resources Management:		
April 15, 1970	Salaries.....	3,000.00	2,590.16
Mar. 18, 1970	Maintenance.....	15,000.00	8,648.24
	Grants to Conservation Authorities (Administration):		
Feb. 18, 1970	Order.....	\$ 89,500.00	
Mar. 18, 1970	Order.....	10,000.00	
		99,500.00	96,480.34
	Grants—Land:		
Feb. 18, 1970	Order.....	\$ 205,000.00	
Feb. 18, 1970	Order.....	1,200,000.00	
April 15, 1970	Order.....	118,000.00	
		1,523,000.00	1,471,573.32

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Energy and Resources Management—Continued		
	Ontario Water Resources Commission, Commission Administration:		
	Salaries:		
Mar. 18, 1970	Order.....\$ 67,000.00		
April 8, 1970	Order.....25,000.00		
		92,000.00	68,376.33
Mar. 18, 1970	Maintenance.....	50,000.00	49,282.50
	Management of the Quality and Quantity of Water:		
	Salaries:		
Mar. 18, 1970	Order.....\$ 19,000.00		
April 8, 1970	Order.....108,000.00		
		127,000.00	123,570.66
Mar. 18, 1970	Maintenance.....	38,000.00	37,229.90
	Air Management Branch:		
Mar. 18, 1970	Maintenance.....	300,000.00	184,478.78
		2,517,000.00	2,286,060.45
	Department of Financial and Commercial Affairs		
	Departmental Administration:		
April 8, 1970	Salaries.....	5,000.00	576.85
	Research expenses:		
Dec. 9, 1969	Order.....\$ 25,000.00		
Mar. 4, 1970	Order.....75,500.00		
		100,500.00	100,495.66
	Ontario Securities Commission:		
April 8, 1970	Salaries.....	16,000.00	15,265.80
	Superintendent of Insurance and Registrar of Loan and Trust Corporations:		
April 8, 1970	Salaries.....	7,000.00	4,308.04
	Consumer Protection:		
April 8, 1970	Salaries.....	33,000.00	31,922.96
Mar. 25, 1970	Maintenance.....	23,000.00	22,991.65
	Grants:		
Nov. 25, 1969	Order.....\$ 11,750.00		
Jan. 14, 1970	Order.....15,000.00		
		26,750.00	25,128.29
		211,250.00	200,689.25
	Department of Health		
	Departmental Administration:		
Mar. 18, 1970	Special investigations and reports.....	47,500.00	46,950.88
Mar. 25, 1970	Other payments—Financial Services.....	50,000.00	40,489.52
	Public Health:		
Mar. 25, 1970	Maintenance.....	228,500.00	225,649.27
Feb. 3, 1970	Local Health Services Grants.....	1,800,000.00	1,774,244.00

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Health—Continued		
	Mental Health:		
	Salaries:		
Mar. 25, 1970	Order.....\$4,383,000.00		
April 22, 1970	Order.....300,000.00		
		4,683,000.00	4,614,719.50
Mar. 25, 1970	Other payments—Mental Health Services.....	1,707,500.00	1,656,765.65
	Health Insurance Registration:		
Feb. 3, 1970	Maintenance.....	1,192,000.00	916,367.34
Feb. 3, 1970	Data Processing—rental of equipment.....	423,500.00	421,779.20
	Ontario Hospital Services:		
Mar. 25, 1970	Contributions to the Ontario Hospital Services Commission—operation of hospitals and related facilities.....	125,000,000.00	124,903,520.20
		135,132,000.00	134,600,485.56
	Department of Highways		
	Departmental Administration:		
Jan. 14, 1970	Grants.....	663,000.00	634,206.20
	Office furniture and equipment—purchases, rental, servicing and repair:		
Dec. 17, 1969	Order.....\$459,000.00		
Jan. 14, 1970	Order.....15,000.00		
		474,000.00	472,811.47
	Road Maintenance:		
	Equipment purchases:		
Dec. 17, 1969	Order.....\$1,100,000.00		
Jan. 15, 1970	Order.....132,000.00		
		1,232,000.00	1,229,998.72
	Road Construction:		
April 1, 1970	Travelling expenses.....	90,000.00	52,679.84
	GO Transit:		
Dec. 17, 1969	Stations and Parking Lots.....	250,000.00	224,856.68
		2,709,000.00	2,614,552.91
	Department of Justice		
	Departmental Management:		
	Salaries:		
April 8, 1970	Order.....\$ 34,000.00		
April 29, 1970	Order.....35,000.00		
		69,000.00	68,021.03
Mar. 11, 1970	Maintenance.....	53,000.00	51,612.35
	Royal Commissions:		
Dec. 9, 1969	Order.....\$225,000.00		
April 8, 1970	Order.....14,000.00		
		239,000.00	234,344.18
Mar. 11, 1970	Other payments.....	8,000.00	2,924.20

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Justice—Continued		
	Litigation and Legal Services:		
	Salaries:		
Mar. 11, 1970	Order.....	\$ 40,000.00	
April 8, 1970	Order.....	5,000.00	
April 29, 1970	Order.....	6,000.00	
		51,000.00	50,411.23
Dec. 9, 1969	Travelling expenses.....	8,000.00	7,594.60
Dec. 9, 1969	Maintenance.....	19,000.00	18,973.62
Dec. 9, 1969	Counsel Fees.....	7,000.00	4,115.03
Feb. 11, 1970	Law Library.....	4,000.00	3,990.49
	Law Research and Development:		
April 8, 1970	Administration and Research expenses.....	12,000.00	8,807.69
	Criminal Prosecutions:		
Mar. 25, 1970	Travelling expenses.....	24,000.00	23,960.02
	Crown Counsel Prosecutions:		
Jan. 7, 1970	Order.....	\$120,000.00	
April 8, 1970	Order.....	72,000.00	
		192,000.00	190,359.05
Feb. 11, 1970	Other payments.....	76,000.00	56,232.24
	Courts Administration:		
April 8, 1970	Salaries.....	943,000.00	875,517.72
Feb. 3, 1970	Travelling expenses.....	50,000.00	44,187.72
	Maintenance:		
Feb. 3, 1970	Order.....	\$1,065,000.00	
April 8, 1970	Order.....	803,000.00	
		1,868,000.00	1,865,815.45
Feb. 25, 1970	Expropriation Inquiries—The Expropriation Act, 1968-69.....	21,000.00	20,381.70
Jan. 28, 1970	Contribution to Legal Aid Fund, Law Society of Upper Canada.....	746,000.00	746,000.00
	Probation Services:		
April 8, 1970	Salaries.....	305,000.00	301,308.82
	Official Guardian and Public Trustee Services:		
Feb. 11, 1970	Services of Children's Aid Societies and other reporting agents.....	240,000.00	214,320.13
	Land Registration Services:		
April 8, 1970	Salaries.....	64,000.00	58,695.79
	Public Safety:		
April 8, 1970	Maintenance.....	63,000.00	61,203.37
	Supervision of Police Forces:		
April 8, 1970	Salaries.....	19,000.00	9,929.46
Jan. 7, 1970	Other payments.....	110,000.00	28,364.61
	Ontario Provincial Police—Administration:		
Feb. 11, 1970	Salaries.....	136,000.00	134,795.54
Feb. 18, 1970	Maintenance.....	52,000.00	50,676.59
	Traffic Law Enforcement:		
Feb. 11, 1970	Salaries.....	3,258,000.00	3,244,643.16
Feb. 3, 1970	Movement of personnel.....	41,500.00	27,870.79
Feb. 18, 1970	Mobile equipment—purchase and maintenance.....	480,000.00	472,232.66

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Justice—Continued		
	Criminal and General Law Enforcement:		
Feb. 11, 1970	Salaries.....	2,875,000.00	2,873,819.81
Feb. 3, 1970	Movement of personnel.....	34,000.00	16,089.55
Feb. 18, 1970	Mobile equipment—purchase and maintenance.....	394,000.00	386,310.56
		12,461,500.00	12,153,509.16
	Department of Labour		
	Industrial Relations:		
Mar. 18, 1970	Maintenance.....	20,500.00	8,328.42
	Manpower Development:		
Mar. 4, 1970	Salaries.....	217,000.00	209,490.75
Feb. 3, 1970	Other payments.....	65,000.00	63,550.09
	Human Rights Commission:		
Mar. 18, 1970	Maintenance.....	29,000.00	22,413.26
		331,500.00	303,782.52
	Department of Lands and Forests		
	Departmental Administration:		
April 8, 1970	Maintenance.....	86,000.00	85,768.03
Jan. 5, 1970	Unemployment insurance.....	25,000.00	22,859.85
Mar. 25, 1970	Workmen's Compensation Board.....	22,000.00	15,296.23
	Resource Protection and Development:		
Nov. 12, 1969	Construction of logging roads through Crown timber areas.....	120,000.00	118,886.68
	Recreation:		
April 8, 1970	Maintenance.....	250,000.00	247,383.06
Mar. 4, 1970	Payments of Wolf Bounty.....	10,000.00	9,996.00
		513,000.00	500,189.85
	Office of Lieutenant Governor		
	Office of Lieutenant Governor:		
April 8, 1970	Salaries.....	1,000.00	256.27
		1,000.00	256.27
	Department of Mines		
	Departmental Administration:		
Mar. 25, 1970	Salaries:		
	Order.....	\$ 25,500.00	
April 1, 1970	Order.....	8,000.00	
		33,500.00	29,575.49
Feb. 25, 1970	Legal fees and expenses.....	1,000.00	668.24
	Promotion of Mining Development:		
April 1, 1970	Salaries.....	5,500.00	3,069.84
Mar. 25, 1970	Access to resources.....	250,000.00	237,835.44
		290,000.00	271,149.01

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Municipal Affairs		
	Departmental Administration:		
April 29, 1970	Salaries.....	74,000.00	72,088.91
April 8, 1970	Maintenance.....	134,000.00	123,867.33
	Planned Development of Municipalities:		
April 8, 1970	Maintenance.....	21,000.00	20,978.38
April 8, 1970	Planning Grants.....	13,500.00	13,019.59
April 8, 1970	Payments to provide Services for Townsites: ..	7,500.00	4,771.78
	Effective Local Government:		
April 8, 1970	Maintenance.....	1,099,000.00	1,089,679.35
	Organization Grants:		
Jan. 6, 1970	Order.....\$145,000.00		
Jan. 7, 1970	Order.....3,900.00		
		148,900.00	148,873.64
	Tax Diminution:		
Nov. 20, 1969	The Municipal Unconditional Grants Act.....	750,000.00	727,179.40
	The Assessment Act:		
Dec. 1, 1969	Order.....\$1,200,000.00		
Dec. 18, 1969	Order.....500,000.00		
		1,700,000.00	1,156,004.42
	The Drainage Act:		
Dec. 1, 1969	Order.....\$1,500,000.00		
Mar. 11, 1970	Order.....300,000.00		
April 15, 1970	Order.....300,000.00		
		2,100,000.00	1,992,501.24
Feb. 25, 1970	The Residential Property Tax Reduction Act, 1968.....	875,000.00	845,791.25
	Ontario Municipal Board:		
Mar. 11, 1970	Salaries.....	45,000.00	37,070.11
Mar. 11, 1970	Travelling expenses.....	5,000.00	4,965.32
		6,972,900.00	6,236,790.72
	Department of Prime Minister		
	Main Office:		
Feb. 25, 1970	Salaries.....	6,000.00	2,893.09
Feb. 25, 1970	Travelling expenses.....	4,000.00	3,062.38
Feb. 25, 1970	Maintenance.....	10,000.00	9,491.45
		20,000.00	15,446.92
	Department of Provincial Secretary and Citizenship		
	Registrar General:		
Dec. 9, 1969	Maintenance.....	16,500.00	15,049.30
	Legislative Services:		
	Salaries:		
April 1, 1970	Order.....\$ 35,000.00		
April 15, 1970	Order.....2,000.00		
		37,000.00	36,833.89
April 1, 1970	Maintenance.....	10,000.00	9,891.23
Dec. 9, 1969	Salaries—Sergeant-at-arms, Messengers, Pages, etc.....	20,000.00	3,873.57
April 1, 1970	Members' services including secretarial, research, office equipment and supplies, maintenance, postage, printing, etc.....	130,000.00	118,527.79

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Provincial Secretary and Citizenship—Continued		
	Legislative Services Continued:		
Jan. 28, 1970	Indemnities and Allowances to Members, including mileage.....	800,000.00	793,805.20
	Stationery, including printing paper, printing Bills, distribution of Statutes, printing and binding:		
Feb. 25, 1970	Order.....\$ 50,000.00		
April 8, 1970	Order.....50,000.00		
		100,000.00	99,764.86
Feb. 3, 1970	Hansard—reporting, printing, etc.....	100,000.00	98,676.06
	Committee Fees, etc.:		
Oct. 22, 1969	Order.....\$ 50,000.00		
Feb. 3, 1970	Order.....60,000.00		
Mar. 18, 1970	Order.....40,000.00		
		150,000.00	145,795.41
Dec. 17, 1969	Grant and expenses in connection with Commonwealth Parliamentary Association...	1,000.00	307.13
		1,364,500.00	1,322,524.44
	Department of Public Works		
	Departmental Administration:		
Mar. 25, 1970	Fire and liability insurance.....	13,000.00	12,312.77
	Provision of Accommodation:		
Feb. 3, 1970	Travelling expenses.....	23,000.00	17,849.59
Feb. 3, 1970	Leased premises—Rentals and expenses in connection therewith.....	2,582,000.00	2,574,270.15
Jan. 14, 1970	Purchase of land and buildings, etc.....	1,050,000.00	985,186.12
	Administration of Justice:		
Feb. 18, 1970	To provide for acquisition of properties, alterations, equipment, extension of services to existing buildings and works, and related expenses in connection with the cost of Administration of Justice.....	325,000.00	226,710.25
	Property Maintenance:		
	Salaries:		
Mar. 11, 1970	Order.....\$525,000.00		
April 22, 1970	Order.....19,000.00		
		544,000.00	542,803.13
Feb. 3, 1970	Travelling expenses.....	54,000.00	39,709.66
	Ontario Government Buildings—Repairs, etc.:		
Feb. 3, 1970	Order.....\$425,000.00		
April 8, 1970	Order.....365,000.00		
		790,000.00	769,949.43
Mar. 11, 1970	Ontario Government Buildings—Operational Maintenance.....	400,000.00	370,000.85
Feb. 18, 1970	Ontario Government Buildings—Horticulture, etc.	93,000.00	65,825.85
	Administration of Justice:		
Feb. 18, 1970	To provide for operational maintenance, rental and related expenses, in connection with the cost of Administration of Justice...	959,000.00	886,564.19

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Public Works —Continued		
	Common Services:		
Feb. 11, 1970	Travelling expenses.....	1,500.00	1,042.91
Mar. 4, 1970	Maintenance.....	8,500.00	8,198.78
Feb. 3, 1970	Central Post Office.....	89,000.00	58,422.69
	Central duplicating and printing:		
Feb. 3, 1970	Order.....\$35,000.00		
Feb. 25, 1970	Order.....33,000.00		
		68,000.00	57,708.49
Mar. 4, 1970	Communication services—Rental of equipment, etc.....	220,000.00	104,357.23
	Government Exhibits and Information:		
April 22, 1970	Salaries.....	1,500.00	1,327.03
Feb. 3, 1970	Ontario Government Exhibitions.....	78,000.00	73,990.14
	Central Purchasing and Supply:		
Feb. 18, 1970	Maintenance.....	25,000.00	10,945.98
	Queen's Printer:		
	Salaries:		
Feb. 18, 1970	Order.....\$ 12,500.00		
April 22, 1970	Order.....4,000.00		
		16,500.00	14,006.09
Feb. 18, 1970	Maintenance.....	40,000.00	21,947.01
		7,381,000.00	6,843,128.34
	Department of Revenue		
	Departmental Administration:		
Feb. 25, 1970	Special studies.....	10,000.00	3,947.13
		10,000.00	3,947.13
	Department of Social and Family Services		
	Departmental Administration:		
Jan. 5, 1970	Grants to agencies.....	28,000.00	28,000.00
Dec. 17, 1969	Charges for data processing services.....	4,000.00	2,344.16
	Income Maintenance:		
	Municipal Allowances and Assistance:		
Mar. 4, 1970	Order.....\$6,433,000.00		
April 8, 1970	Order.....2,738,000.00		
		9,171,000.00	9,043,126.53
	Grants re Residential Care and Services for Adults:		
Mar. 4, 1970	Order.....\$679,000.00		
April 8, 1970	Order.....200,000.00		
		879,000.00	858,051.49
	Rehabilitation and Special Services:		
April 8, 1970	Community development projects for Indian people as may be approved by the Lieu- tenant Governor in Council.....	1,000.00	591.56
	Child Care:		
April 8, 1970	Other payments.....	3,500.00	2,254.81
		10,086,500.00	9,934,368.55

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Tourism and Information		
April 15, 1970	Departmental Administration: Salaries.....	3,000.00	1,308.30
April 15, 1970	Archives and History: Salaries.....	13,000.00	11,475.66
April 22, 1970	Maintenance.....	500.00	456.71
	Government Services: Salaries:		
Feb. 18, 1970	Order.....\$18,000.00		
April 15, 1970	Order.....4,000.00		
		22,000.00	20,886.02
Nov. 26, 1969	Travelling expenses.....	1,000.00	603.69
	Broadcast News Services: Order.....\$ 9,000.00		
Dec. 9, 1969	Order.....19,000.00		
Feb. 11, 1970		28,000.00	23,777.44
	The Centennial Centre of Science and Technology: Maintenance.....	487,000.00	466,410.94
Nov. 20, 1969	Exhibits.....	182,000.00	166,531.80
Nov. 20, 1969		736,500.00	691,450.56
	Department of Trade and Development		
	Departmental Administration: Salaries.....	16,000.00	14,541.93
April 22, 1970	Charges for data processing services.....	4,000.00	1,953.58
	Trade and Industrial Development: Salaries.....	41,000.00	39,445.13
	Selective Immigration: Salaries.....	6,000.00	5,186.72
	Research and Development: Salaries.....	1,000.00	174.07
April 22, 1970	Research and Development Grant— Ontario Research Foundation.....	200,000.00	200,000.00
	Ontario Economic Council: Salaries.....	7,000.00	6,806.81
	Exposition Development: Participation in the Japanese Universal and International Exhibition of 1970.....	225,000.00	218,465.75
	Ontario Government Building—Canadian National Exhibition: Order.....\$2,894,200.00		
Oct. 22, 1969	Order.....1,081,000.00		
Mar. 18, 1970		3,975,200.00	3,896,255.22
	Ontario Development Corporation: Contribution to the Ontario Development Cor- poration to finance its operation.....	60,000.00	60,000.00
April 1, 1970			

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Trade and Development —Continued		
April 22, 1970	Ontario Housing Corporation: Subsidies in the form of contribution to the Ontario Housing Corporation to finance its operation.....	1,697,500.00	1,697,500.00
April 22, 1970	Ontario Student Housing Corporation: Contribution to the Ontario Student Housing Corporation to finance its operation.....	263,500.00	263,500.00
		6,496,200.00	6,403,829.21
	Department of Transport		
Mar. 18, 1970	Departmental Administration: Legal, medical and witness fees, etc.....	4,000.00	1,968.29
April 8, 1970	Highway Safety: Salaries.....	300,000.00	264,925.73
April 8, 1970	Maintenance.....	35,000.00	25,475.30
Mar. 18, 1970	Licences and permits.....	33,000.00	32,215.71
Dec. 9, 1969	Transportation Planning: Salaries.....	28,000.00	18,561.87
Sept. 10, 1969	Travelling expenses.....	11,000.00	5,736.20
		411,000.00	348,883.10
	Department of Treasury and Economics		
Mar. 25, 1970	Departmental Administration: Salaries.....	8,000.00	5,895.31
Nov. 12, 1969	Maintenance.....	17,000.00	16,874.03
Jan. 7, 1970	Royal Commission on Civil Rights.....	50,000.00	48,735.25
Feb. 11, 1970	Research and special studies.....	10,000.00	10,000.00
Feb. 18, 1970	Economic and Statistical Research and Policy Planning: Maintenance.....	94,000.00	93,193.45
Dec. 9, 1969	Publications.....	29,000.00	28,149.23
Feb. 11, 1970	Tax studies.....	15,000.00	13,976.08
Mar. 25, 1970	Government Accounting: Salaries.....	26,000.00	25,579.29
Mar. 4, 1970	Maintenance.....	42,000.00	41,837.83
Feb. 25, 1970	Unemployment insurance.....	2,000.00	380.62
Jan. 7, 1970	Fidelity insurance.....	75,000.00	69,136.30
Jan. 7, 1970	Government Benefit Plans: Maintenance: Order.....\$ 500.00		
April 1, 1970	Order.....3,000.00		
		3,500.00	3,225.03
Jan. 7, 1970	Contribution to Employees' Insurance Plan....	3,745,000.00	3,366,007.78
Mar. 25, 1970	Regulation of Horse Racing: Salaries and allowances.....	5,000.00	870.46
Feb. 25, 1970	Services and expenses of officials at tracks....	45,000.00	19,529.23
Feb. 25, 1970	Grants and expenses for encouragement and improvement of horse racing in Ontario, etc..	36,000.00	33,989.06
		4,202,500.00	3,777,378.95

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of University Affairs		
	University Support:		
Mar. 11, 1970	Grants—Support to universities and colleges. . .	2,750,000.00	2,718,317.00
Feb. 18, 1970	Grants to related institutions and organizations.	5,000.00	4,068.56
		2,755,000.00	2,722,385.56
	Total General Expenditure, Treasury Board Orders	247,118,350.00	243,422,510.05
	DISBURSEMENTS AND CHARGES		
	Department of Energy and Resources Management		
	Ontario Water Resources Commission, Provision of Sewage and Water Facilities and Related Funding:		
	Disbursements—Provincial Projects.	2,000,000.00	1,534,016.84
	Total Disbursements and Charges, Treasury Board Orders	2,000,000.00	1,534,016.84
	Total Treasury Board Orders	249,118,350.00	244,956,526.89

*Indicates funds used for temporary financing during the fiscal year.

SPECIAL WARRANTS

STATEMENT OF SPECIAL WARRANTS ISSUED DURING THE FISCAL YEAR
ENDED MARCH 31, 1970

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	GENERAL EXPENDITURE		
	Department of Correctional Services		
Jan. 8, 1970	Special grant to St. Leonard's House, Windsor, in order to assist with their requirements as a member agency of the United Community Services of Greater Windsor.....	7,350.00	7,350.00
	Department of Education		
Dec. 23, 1969	Supplementing superannuation and disability allowances to certain recipients of pension benefits under the Teachers' Superannuation Fund, etc. to the extent that former teachers who receive superannuation and disability allowances from the Teachers' Superannuation Fund of less than twenty-one hundred dollars per annum (\$2,100.00) will receive payments in the amounts necessary to bring their annual allowances up to twenty-one hundred dollars, effective January 1, 1970; and widows and other beneficiaries of former teachers who receive allowances of less than one thousand and fifty dollars per annum (\$1,050.00), will receive payments in the amounts necessary to bring their annual allowances up to one thousand and fifty dollars, effective January 1, 1970.	600,000.00	600,000.00
	Department of Municipal Affairs		
Jan. 22, 1970	Payment of the Province of Ontario's portion of a supplementary claim submitted by the City of St. Thomas under the 1967-68 Winter Works Incentive Program.....	2,507.51	2,507.51
Jan. 22, 1970	Reducing the cost suffered as a result of the flash flood which struck the Township of Walpole in November, 1968.....	847.50	847.50
Feb. 12, 1970	Reducing the cost suffered as a result of the explosion and fire which occurred in the Town of Mississauga on October 25, 1969.....	5,000.00	4,635.82
Feb. 12, 1970	Reducing the cost suffered as a result of the flood which struck Sault Ste. Marie in June, 1969...	100,000.00	68,063.69
	Department of Social and Family Services		
Feb. 12, 1970	Corporation known as The Family Services Association of Metropolitan Toronto for the purpose of assisting in the rebuilding of the outmoded and deteriorated facilities of Bolton Camp used to provide a healthy, outdoor summer holiday to mothers and children of low income families...	80,000.00	80,000.00

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Treasury and Economics		
Dec. 23, 1969	Supplementing superannuation and disability pensions as well as annuities and widows' pensions received from the Public Service Superannuation Fund by certain former Ontario civil servants and certain widows of former Ontario civil servants to the extent that former Ontario civil servants who receive superannuation and disability pensions of less than twenty-one hundred dollars a year (\$2,100.00), including their pension entitlement under the Canada Pension Plan, will receive payments in the amounts necessary to bring their total annual pensions up to twenty-one hundred dollars, effective January 1, 1970, and the minimum amount of twenty-one hundred dollars will also apply to those in receipt of annuities for ten or more years of contributions but the amount will be reduced at the rate of five per cent for each year by which the person's age was less than sixty-five years at the time he commenced to receive the annuity; and widows of former Ontario civil servants who receive widows' pensions of less than one thousand and fifty dollars a year (\$1,050.00) will receive payments in the amounts necessary to bring their annual pensions up to one thousand and fifty dollars, effective January 1, 1970.	700,000.00	619,440.27
	Total Special Warrants	1,495,705.01	1,382,844.79

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**PROVINCIAL
AUDITOR'S
REPORT
1970-71**

PROVINCE OF ONTARIO

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



TORONTO
PRINTED AND PUBLISHED BY WILLIAM KINMOND, QUEEN'S PRINTER AND PUBLISHER
1971

PROVINCIAL AUDITOR'S REPORT 1970-71

PROVINCE OF ONTARIO

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SESSIONAL PAPER No. 3, 1972



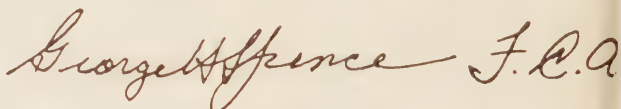
TORONTO
PRINTED AND PUBLISHED BY WILLIAM KINMOND, QUEEN'S PRINTER AND PUBLISHER
1971

TO THE HONOURABLE
WILLIAM ROSS MACDONALD, P.C., C.D., Q.C., LL.D.,
Lieutenant Governor of the Province of Ontario.

MAY IT PLEASE YOUR HONOUR:

The undersigned has the honour to present to Your Honour the following report for the fiscal year ended March 31st, 1971, in accordance with the requirements of The Audit Act.

Respectfully submitted,

A handwritten signature in dark ink, reading "George H. Spence F.C.A." in a cursive script.

GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Office of Provincial Auditor,
Toronto, November 26, 1971.

REPORT OF THE PROVINCIAL AUDITOR TO THE
LEGISLATIVE ASSEMBLY OF ONTARIO FOR THE
FISCAL YEAR ENDED MARCH 31st, 1971, IN
ACCORDANCE WITH THE REQUIREMENTS OF
THE AUDIT ACT.

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REPORT OF THE PROVINCIAL AUDITOR 1970 - 1971

I have the honour to report to the Legislative Assembly on the examination and audit of the accounts of the Province of Ontario for the fiscal year ended March 31, 1971.

The responsibility of the Provincial Auditor for examination of the accounts of the Province is set out in sections 9 and 19 of The Audit Act. These sections, taken from the Act in force during the year under review and prior to the amendments to the Act effective August 31, 1971, read, in part, as follows:

- 9 (1) Except where otherwise provided, the Auditor shall examine on behalf of the Assembly all accounts of expenditure of public moneys out of the Consolidated Revenue Fund, whether held in trust or otherwise.
- (2) The Auditor shall satisfy himself that every account requisitioned for payment is in accordance with the terms and conditions of the grant to which the account relates.
- 19 (1) The Auditor shall, on behalf of the Assembly, examine all accounts of receipts of public moneys forming part of the Consolidated Revenue Fund whether held in trust or otherwise in order to ascertain that adequate regulations and procedures are in operation to secure an effective check on the assessment, collection and allocation of revenue.
- (2) The Auditor shall satisfy himself as to the correctness of the accounts mentioned in subsection 1.

The responsibility for reporting annually to the Assembly is described in section 20 of The Audit Act. Accordingly, I report that I have examined the Statement of Assets and Liabilities of the Province of Ontario as at March 31, 1971, the Statements of Revenue and Expenditure for the year ended on that date and other related statements, and have compared them with the books of account and financial records. I have obtained all the information and explanations I have required.

Subject to the qualifications in this report, in my opinion and according to the best of my information and the explanations given to me and as shown by the books of the Province, these financial statements are properly drawn up in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year so as to present fairly the financial position of the Province as at March 31, 1971, and the results of its operations for the year then ended.

The accounts of the Province of Ontario have been kept on a cash basis as in previous years. This system of accounting, where transactions are recorded as cash flows in and out of the Consolidated Revenue

Fund, provides the Legislature with appropriate information on the sources and disposition of public moneys.

The Statement of Assets and Liabilities includes only those assets and liabilities which result from cash transactions and which are deemed to affect Net Debt. Memorandum records of certain other assets and liabilities are maintained for internal control purposes. The memorandum accounts for Accounts Receivable, Equipment, Stores, Livestock and Materials, and Accounts Payable at March 31, 1971 are shown in the Public Accounts for 1970-71 on pages 95-96.

ASSETS AND LIABILITIES

The Statement of Assets and Liabilities, which includes only those assets and liabilities which are deemed to affect Net Debt, is presented below:

PROVINCE OF ONTARIO STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 1971

ASSETS

	\$
Cash.....	582,859,632
Temporary Investments.....	52,330,105
Advances to Commissions.....	1,257,482,501
Advances and Investments—Crown Corporations.....	2,035,247,651
Loans to Municipalities.....	166,398,918
Other Loans and Investments.....	159,666,321
Fixed Assets.....	1
Inactive Assets.....	4,346,536
Total Assets.....	4,258,331,665
Less: Reserve for Inactive Assets.....	4,300,955
Net Realizable Assets.....	4,254,030,710
Net Debt.....	1,634,347,859
	5,888,378,569

LIABILITIES

	\$
Demand Deposits with the Province of Ontario Savings Office.....	116,656,777
Pension Funds.....	433,485,582
Deposit, Trust and Reserve Accounts.....	157,294,735
	\$
Stock and Debentures.....	5,193,217,975
Less: Held as Investments by the Province.....	12,276,500
	5,180,941,475
	5,888,378,569
Contingent Liabilities:	
Bonds, etc., Guaranteed by the Province.....	2,412,980,912

I report hereunder on certain of the assets and liabilities as shown on the Statement of Assets and Liabilities of the Province as at March 31, 1971. This Statement and supporting schedules are shown in the Public Accounts for 1970-71 on pages 6-9.

ASSETS

CASH—\$582,859,632

	\$
Time Deposits.....	871,795,971
Bank Overdrafts.....	288,936,339
	<u>582,859,632</u>

Time Deposits are amounts placed on deposit with chartered banks or their agencies with scheduled interest rates and maturity dates. They are recorded at cost and have been classified as cash for balance sheet presentation.

Time Deposits at March 31, 1971 as shown above reflect the valuation in Canadian funds at the dates of deposit. The market value of these Time Deposits at March 31, 1971 was reported by an official of the Department of Treasury and Economics. This market value, with United States funds converted to Canadian funds at the rate of exchange in effect at that date, was only \$827,787,532.

The substantial bank overdrafts result from cheques dated March 31, 1971 issued during April 1971 for expenditures charged to appropriations for the year ended March 31, 1971 in accordance with section 15 (3) of The Audit Act.

Time Deposit receipts were verified as at March 31, 1971 by letters of confirmation received direct from the banks concerned. The bank balances were confirmed by letters received direct from the depositaries and were checked to reconciliation statements prepared by officials of the Department of Treasury and Economics.

Cash on hand in the various branches of the Province of Ontario Savings Office was certified by the respective branch managers and the cash on deposit in chartered banks was confirmed by direct correspondence with the banks concerned. The balance of cash on hand and in banks, after elimination of Ontario Government funds, was transferred at the year end to funds on deposit with the Treasurer of Ontario. The branches were examined during the year by inspectors from the Head Office of the Province of Ontario Savings Office.

TEMPORARY INVESTMENTS—\$52,330,105

	\$
Subject to repurchase agreements....	10,800,000
Other.....	41,530,105
	<u>52,330,105</u>

Temporary investments were made under authority of section 12 of The Financial Administration Act to obtain some income on funds temporarily surplus to current requirements. The investments described as being subject to repurchase agreements are made with the vendors of

the securities who contract to pay interest at an agreed rate and to buy back the securities at a fixed date at the amount paid by the Province.

The securities, an analysis of which is shown in the Public Accounts for 1970-71 on page 49, were verified by actual count as at March 31, 1971.

ADVANCES TO COMMISSIONS—\$1,257,482,501

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—SECURED BY BONDS—\$955,849,000

Under provisions of The Power Commission Act, \$84,100,000 from the issue of debentures of the Province of Ontario was advanced to The Hydro-Electric Power Commission of Ontario during the year. The Commission repaid \$10,035,000 on account of redemptions prior to maturity, leaving a balance of \$955,849,000 outstanding as at March 31, 1971.

As security for the advances, the Province holds bonds of the Commission for the same principal amount with the same interest rate and terms as the related Province of Ontario debentures. Bonds of the Commission in the amount of \$955,849,000, held for safekeeping in the Securities Branch of the Department of Treasury and Economics, were verified by actual count as at March 31, 1971.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO—

ADVANCES—UNSECURED—\$77,470,476

	\$
Nuclear Powered Generating Station.....	77,066,604
General.....	403,872
	<u>77,470,476</u>

Advances in the amount of \$23,900,914 were made to the Commission during the year, representing the Province's share of the capital costs of the first two units of a nuclear powered generating station at Pickering. The estimated capital cost of these two units is now \$408,900,000 and under the terms of the agreement the Province's share will be approximately \$116,400,000. The agreement also provides for monthly repayments by the Commission of this share of the cost commencing at the "in service" date of the station.

During the year a repayment of \$1,119,358 was received on the general unsecured advance, leaving a balance of \$403,872 outstanding at March, 31, 1971. This balance will be received in the fiscal year ending March 31, 1972.

ONTARIO WATER RESOURCES COMMISSION—

ADVANCES—\$193,831,090

This Commission was created in 1956 to assist Ontario municipalities in dealing with their financial and physical problems relating to water resources, sewage and pollution. It is anticipated that projects undertaken will earn sufficient revenue to cover operating costs, rentals, interest charges and debt retirement over a reasonable time.

Advances in the net amount of \$37,383,629 were made to the Commission during the year, leaving a balance of \$193,831,090 outstanding at March 31, 1971.

ONTARIO NORTHLAND TRANSPORTATION COMMISSION—

ADVANCES—\$30,207,935

These advances were made to the Commission to provide funds for construction and equipment and are non-interest bearing as provided for by Order in Council dated April 22, 1936.

Current, interest bearing advances of \$12,000,000 outstanding at March 31, 1970 were repaid during the year.

THE CROP INSURANCE COMMISSION OF ONTARIO—

ADVANCES—\$124,000

This Commission was established in 1966 to administer plans of crop insurance and related activities in Ontario and generally to administer The Crop Insurance Act (Ontario) and the Regulations made thereunder.

Repayments of \$390,000 were received during the year leaving a balance of interest-free advances of \$124,000 outstanding at March 31, 1971.

ADVANCES AND INVESTMENTS—CROWN CORPORATIONS—\$2,035,247,651

THE ONTARIO EDUCATION CAPITAL AID CORPORATION—

ADVANCES—\$844,456,728

The object of this Corporation, established in 1966, is to purchase from municipalities debentures issued by them for school board undertakings, public library purposes and grants to associations constituted for the promotion of the welfare and education of retarded children.

Advances of \$201,512,000 were made to the Corporation during the year and repayments of \$28,686,521 were received, leaving net advances of \$172,825,479 for the year. Interest paid on advances is equal to the net interest received by the Corporation from its investments at rates from 5½% to 8½% per annum.

The financial statements of the Corporation are shown in the Public Accounts for 1970-71 on pages 66-67.

THE ONTARIO UNIVERSITIES CAPITAL AID CORPORATION—

ADVANCES—\$823,707,209

This Corporation was established in 1964 with the object of purchasing from colleges and universities bonds or debentures issued by them for capital construction projects that have ministerial approval.

The advances bear interest at $5\frac{1}{2}\%$ to $8\frac{1}{2}\%$ per annum and are repayable to the Province in the same amounts as the yearly instalments become due on the debentures purchased by the Corporation. During the year under review \$174,760,000 was advanced to the Corporation and \$10,052,708 was repaid, leaving net advances of \$164,707,292 for the year.

Funds for the payment of principal instalments and interest on debentures by the colleges and universities are provided through grants made by the Department of Education and the Department of University Affairs. For the year ended March 31, 1971 these grants totalled \$52,922,197 and were comprised of \$42,869,489 interest and \$10,052,708 principal instalments.

The financial statements of the Corporation are shown in the Public Accounts for 1970-71 on pages 68-69.

ONTARIO HOUSING CORPORATION—

ADVANCES—\$169,177,743

Ontario Housing Corporation, established in 1964, co-ordinates the development and management of residential accommodation in Ontario that is financed out of public funds.

Net advances of \$38,841,218 were made to the Corporation during the year, leaving a balance of \$169,177,743 outstanding at March 31, 1971. This balance is made up of advances of \$140,090,743 to December 31, 1970 as shown by the balance sheet of the Corporation and advances of \$29,087,000 made by the Treasurer of Ontario between January 1, 1971 and March 31, 1971.

The operations of the Corporation resulted in an excess of expenditure over revenue of \$7,482,363 for the year ended December 31, 1970. Funds to cover operating deficits are provided by the Province through subsidies voted for this purpose.

The financial statements of the Corporation for the year ended December 31, 1970 are shown in the Public Accounts for 1970-71 on pages 70-73.

THE ONTARIO JUNIOR FARMER ESTABLISHMENT
LOAN CORPORATION—

ADVANCES—\$90,600,000

This Corporation was incorporated in 1952 for the purpose of making loans to assist young qualified farmers in the establishment, development

and operation of their farms. This program was discontinued in February, 1969.

The Province has paid the cost of administration and the Corporation has applied its revenue to the payment of interest on borrowed funds and to the amortization of discount on debentures. The interest charged on mortgage loans has not been sufficient to meet the cost of borrowed money and, therefore, the Corporation has operated at a deficit each year since 1958. The excess of expenditure over revenue for the current year was \$2,599,805, a decrease of \$638,602 from that of the preceding year. Funds to cover this operating deficit were provided by the Province.

Net repayments of advances of \$1,700,000 were received during the year, leaving the balance of \$90,600,000 outstanding at March 31, 1971.

The financial statements of the Corporation are shown in the Public Accounts for 1970-71 on pages 74-75.

HOUSING CORPORATION LIMITED—

ADVANCES—\$49,490,000

Housing Corporation Limited was established in 1948 to facilitate the financing of new low-cost houses in Ontario through second mortgages. This program was discontinued in 1949 when the Government of Canada expanded its operations in this field.

A new program to fortify the supply of mortgage money for home ownership was announced by the Treasurer of Ontario and Minister of Economics in his 1970 Budget Statement. This announcement indicated that a capital fund would be set up under Housing Corporation Limited to provide first and second mortgages to purchasers of new dwellings. Accordingly, advances of \$49,490,000 for this purpose were made to the Corporation during the year.

The operations of the Corporation, exclusive of administrative expenses paid by Ontario Housing Corporation, resulted in an excess of revenue over expenditure of \$153,061 for the year ended March 31, 1971.

The financial statements of the Corporation for the year ended March 31, 1971 are shown in the Public Accounts for 1970-71 on pages 76-77.

ONTARIO DEVELOPMENT CORPORATION—

INVESTMENT—\$ 7,000,000

ADVANCES— 29,514,471

—————\$36,514,471

This Corporation was established in 1966 with the objects of encouraging and assisting in the development and diversification of industry in Ontario.

The investment of \$7,000,000 is the cost of all 7,000 shares, each with a par value of \$1,000, authorized and issued by the Corporation.

The advances of \$29,514,471 consist of interest bearing temporary advances of \$1,777,573 and non-interest bearing advances of \$27,736,898 made under the Equalization of Industrial Opportunity Programme and under the industrial parks program.

The main operations for the year resulted in an excess of income over expense of \$1,019,902, after including the contribution of \$2,304,009 by the Province to cover expenses, loan forgiveness and guaranteed loan payments. The subsidiary operations at Huron Industrial Park produced an operating surplus of \$158,738 for the year.

The financial statements of the Corporation are shown in the Public Accounts for 1970-71 on pages 78-82.

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION—

ADVANCES—\$19,298,500

The Ontario Municipal Improvement Corporation was incorporated in 1950 for the purpose of purchasing debentures issued by Ontario municipalities for certain municipal works and undertakings.

During the year advances of \$6,278,000 were made and repayments of \$4,590,500 were received by the Treasurer of Ontario, leaving net advances of \$1,687,500 for the year.

Administrative expenses have been paid by the Province and the revenue of the Corporation for the year was used to satisfy interest on borrowed funds in an equivalent amount.

The financial statements of the Corporation are shown in the Public Accounts for 1970-71 on pages 84-85.

ONTARIO STUDENT HOUSING CORPORATION—

ADVANCES—\$2,003,000

This Corporation was established in 1966 for the purpose of developing housing projects for students and their families.

Net advances of \$1,629,108 were made to the Corporation during the year, leaving a balance of \$2,003,000 outstanding at March 31, 1971. This balance is made up of advances of \$3,892 to December 31, 1970 as shown by the balance sheet of the Corporation and advances of \$1,999,108 made by the Treasurer of Ontario between January 1, 1971 and March 31, 1971.

The operations of the Corporation for the year ended December 31, 1970 resulted in an excess of expenditure over revenue of \$1,113,898. Funds to cover operating deficits are provided by the Province.

The financial statements of the Corporation are shown in the Public Accounts for 1970-71 on pages 86-88.

LOANS TO MUNICIPALITIES—\$166,398,918

	\$
Sundry Municipalities re The Municipal Works Assistance Act	86,986,664
The Municipality of Metropolitan Toronto.....	53,919,000
Sundry Municipalities re Tile Drainage.....	19,577,198
Township of Elliot Lake.....	3,386,500
Town of Kapuskasing.....	1,530,964
City of Windsor.....	479,099
Improvement District of Manitowadge.....	378,300
The Moosonee Development Area Board.....	126,193
Township of Atikokan.....	15,000
	<u>166,398,918</u>

No loans have been made since 1969 under The Municipal Works Assistance Act as this program has been completed. Loan repayments of \$3,958,977 were received during the year leaving the balance of \$86,986,664 outstanding at March 31, 1971.

The amount of \$53,919,000 owing by The Municipality of Metropolitan Toronto at March 31, 1971 is the balance outstanding on debentures issued for subway purposes. Repayments of \$1,120,000 were received during the year.

The investment of \$126,193 in The Moosonee Development Area Board represents the purchase to March 31, 1971 of debentures issued by the Board and repayable over twenty years at 8% interest. These debentures were issued for the construction of three residential houses for two doctors and one dentist and the acquisition, from the Province, of the house occupied by the Secretary-Treasurer of the Board.

With regard to safekeeping, Tile Drainage debentures are held in a chartered bank and were confirmed as at March 31, 1971 by a test examination. The various municipal debentures, held by the Securities Branch of the Department of Treasury and Economics, were confirmed by actual count as at March 31, 1971.

OTHER LOANS AND INVESTMENTS—\$159,666,321

PUBLIC HOSPITALS—\$117,207,314

This amount represents advances made to the Ontario Hospital Services Commission under authority of The Public Hospitals Act for the purpose of making loans and providing capital financial assistance to hospitals. During the year advances of \$29,639,200 were made and repayments of \$4,427,183 were received, leaving the balance of \$117,207,314 outstanding at March 31, 1971.

LIQUOR CONTROL BOARD OF ONTARIO—

INVESTMENT—\$25,074,515

The above amount is the Retained Income of the Board as at March 31, 1971 held to finance its operations. Details of this investment are shown in the Public Accounts for 1970-71 on page 52.

MISCELLANEOUS LOANS AND INVESTMENTS—\$17,384,492

	\$	\$
The Sault Ste. Marie Bridge Act:		
International Bridge Authority of Michigan—Bonds	7,615,072	
St. Mary's River Bridge Company—Shares.....	1,370	
		7,616,442
Sundry Co-operative Associations.....		2,521,395
Sandwich, Windsor and Amherstburg Railway Company—Bonds....		2,450,000
Provincial Student-Aid Loans.....		1,719,594
Municipal and School Tax Credit Assistance.....		1,398,343
Sundry Conservation Authorities.....		1,246,482
Sundry Commercial Fishermen, etc.....		432,236
		<u>17,384,492</u>

The International Bridge Authority of Michigan bonds, with a par value of \$7,850,000, were acquired in 1960 at a cost of \$7,615,072. These bonds bear interest at the rate of 6% per annum but under the terms of the agreement interest is payable only as funds are available from operations. During the year payments of \$193,814 were received from the Trustee on account of interest accruing in the amount of \$471,000 annually. The accumulated balance of interest remaining unpaid at March 1, 1971 was \$4,335,631.

The Sandwich, Windsor and Amherstburg Railway Company balance of \$2,450,000 consists of 2% bonds in the amount of \$350,000 due June 30, 1971-77 and 3% bonds in the amount of \$2,100,000 due April 1, 1980. A special Sinking Fund to meet this latter maturity is held by the Treasurer of Ontario in Deposit and Trust Accounts. This Sinking Fund, on which interest is payable semi-annually, had accumulated to \$1,713,415 at March 31, 1971.

The balance of \$1,719,594 under Provincial Student-Aid Loans is the total of the principal owing on 4,590 loans at March 31, 1971. Under the regulations governing the repayment of loans, 3,640 borrowers, with a total indebtedness of \$1,165,585, are required to pay monthly instalments of \$25 plus interest, and 470 borrowers, with a total indebtedness of \$268,824 will be required to commence similar payments in subsequent periods depending on their date of graduation or withdrawal from an eligible institution. Collection of the balance of \$285,185 from 480 borrowers has been referred to the Central Collection Services, Department of Treasury and Economics.

During the year repayments of \$521,264 were received, including the repayment of 437 loans in full.

Reimbursements to municipalities for credits and refunds allowed in accordance with the provisions of The Municipal and School Tax Credit Assistance Act amounted to \$454,118. Repayments of \$87,463 were received, leaving a balance of \$1,398,343 outstanding at March 31, 1971.

Loans under The Fisheries Loans Act are made to persons carrying on the business of commercial fishing or any other business dependent in whole or in part on the taking of fish from waters in which such taking has been prohibited by reason of the contamination of fish resulting from pollution of the waters.

The balance of \$432,236 outstanding at March 31, 1971 consists of loans to Commercial Fishermen \$386,482 and Fishing Camp Operators \$45,754. Interest is payable on these loans at the rate of 9½% per annum only from the date repayment of the loan is demanded. Confirmation of loans outstanding was not requested from the borrowers concerned.

Under an agreement, the Government of Canada contributes 50% of the amount advanced to Commercial Fishermen. These contributions are repayable by the Province as recoveries are made from the fishermen. The liability for the Government of Canada's contribution of \$193,241 at March 31, 1971 is shown in the Public Accounts for 1970-71 under Deposit, Trust and Reserve Accounts.

Bonds of the Sandwich, Windsor and Amherstburg Railway Company, International Bridge Authority of Michigan and shares of the St. Mary's River Bridge Company, held in safekeeping in the Securities Branch of the Department of Treasury and Economics, were confirmed by actual count as at March 31, 1971.

FIXED ASSETS—\$1

Expenditures on fixed assets are treated as general expenditures of each fiscal year and their value is shown in the statement of assets and liabilities at a nominal value of one dollar. The detailed records, which are maintained for internal control purposes, indicate the following investment at March 31, 1971:

	\$	\$
Highways and Roads.....	4,108,207,425	
Less: Expenditures to March 31, 1941, written off.....	329,859,124	
		3,778,348,301
Rural Power Transmission Lines—		
Bonus 1927-71.....	123,492,297	
Less: Bonus to March 31, 1941, written off.....	16,633,243	
		106,859,054
Land, Buildings, Public Works, etc.....		878,788,239
The Niagara Parks Commission—Equity (October 31, 1970).....		10,612,346
The St. Lawrence Parks Commission—Equity (March 31, 1971).....		12,023,696
Huron Historical Parks—Equity (March 31, 1971).....		3,423,676
		4,790,055,312
Less: Amount written off.....		4,790,055,311
		<u>1</u>

INACTIVE ASSETS—\$4,346,536

	\$
Government of Canada.....	4,300,955
Settlers' Loans.....	45,581
	<u>4,346,536</u>

The Government of Canada Account consists of Debt Account \$2,848,290 and Common School Fund \$1,452,665.

Under the British North America Act, 1867, the Government of Canada assumed the debt of the old Province of Canada (Ontario and Quebec). Interest at the rate of 5% per annum was to be paid to the Government of Canada by Ontario and Quebec on any debt in excess of \$62,500,000. The excess debt was apportioned five-ninths to Ontario and four-ninths to Quebec.

For five and one-half years, from July 1, 1867 to January 1, 1873, the Government of Canada, when paying subsidy based on population, withheld interest at 5% per annum on the debt in excess of \$62,500,000. In the case of Ontario this amounted to \$291,667 annually and represented interest on \$5,833,333.

Under 36 Victoria, Cap. 30, 1873 the excess of debt of Ontario and Quebec was deemed to be properly assumed by the Government of Canada. Commencing July 1, 1873 the Provinces of Ontario and Quebec received full subsidy based on population, free from any interest deduction for excess debt.

In 1884 under 47 Victoria, Cap. 4, an adjustment was made in the annual subsidy to compensate the Province of Ontario for the interest on the excess of debt which had been withheld during the five and one-half years from July 1, 1867 to January 1, 1873. The amounts withheld, together with interest to July 1, 1884 were, in effect, capitalized and on this amount of \$2,848,290 the Government of Canada pays Ontario interest at the rate of 5% per annum. This interest is paid semi-annually on January 1 and July 1 each year and has been received for the year ended March 31, 1971 in the amount of \$142,414.

The Common School Fund represents the present interest of Ontario in a permanent fund of \$2,677,771 held in trust by the Government of Canada for the Provinces of Ontario and Quebec. The fund is derived from the sale of Crown lands set aside for the benefit of common schools by statutes enacted before Confederation. The total has not changed since March 31, 1942. The Government of Canada pays interest to the Provinces on the principal sum at the rate of 5% per annum, payable semi-annually, in proportion to their respective populations as determined by the most recent decennial census. The present basis for allocation is the census of 1961. Interest in the amount of \$72,633 has been received for the year ended March 31, 1971.

Repayments on behalf of Settlers' Loans in the amount of \$609 were received during the year.

RESERVE FOR INACTIVE ASSETS—\$4,300,955

A reserve for the full amount of the Government of Canada account has been provided since the present agreement does not call for liquidation of the principal amount.

NET DEBT—\$1,634,347,859

The Net Debt of the Province increased by an amount of \$94,420,928 during the year. The increase is the amount of the budgetary deficit for the year and is reflected in the accounts by an increase in the net liability for Stock and Debentures of \$630,109,164 and other borrowings of \$36,576,734 less an increase in Net Realizable Assets of \$572,264,970.

LIABILITIES

DEMAND DEPOSITS WITH THE PROVINCE OF ONTARIO

SAVINGS OFFICE—\$116,656,777

This amount is made up of current deposits of \$116,544,563 and unclaimed balances of \$112,214. The balance sheet of the Province of Ontario Savings Office as at March 31, 1971 is shown in the Public Accounts for 1970-71 on page 53.

PENSION FUNDS—\$433,485,582

PUBLIC SERVICE SUPERANNUATION FUND—\$432,030,741

During the year under review \$86,362,275 was received by the Fund and disbursements of \$23,494,851 were made from the Fund, leaving the balance of \$432,030,741 on deposit with the Treasurer of Ontario at March 31, 1971. A statement of the Fund is shown in the Public Accounts for 1970-71 on pages 54-55.

LEGISLATIVE ASSEMBLY RETIREMENT ALLOWANCES ACCOUNT—
\$1,454,841

This is the balance in the Account on deposit with the Treasurer of Ontario at March 31, 1971. A statement of the Account is shown in the Public Accounts for 1970-71 on page 56.

DEPOSIT, TRUST AND RESERVE ACCOUNTS—\$157,294,735

DEPOSIT AND TRUST ACCOUNTS—\$153,701,634

A listing of the accounts making up this liability is shown in the Public Accounts for 1970-71 on page 57. The main item in this liability is the balance of \$105,380,000 in the special account for premium stabilization for the Ontario Hospital Services Commission.

RESERVES—\$2,948,156

Details of Reserves are shown in the Public Accounts for 1970-71 on page 9.

MISCELLANEOUS—\$644,945

This amount consists of a balance of \$451,704 outstanding on the mortgage assumed on acquisition of the property at 880 Bay Street, Toronto, and a balance of \$193,241 owing to the Government of Canada representing its contribution of 50% of loans made to fishermen by the Province under The Fisheries Loans Act. This latter amount is repayable as recoveries are made from the fishermen.

STOCK AND DEBENTURES—\$5,193,217,975

Less: Held as Invest-
ments by the
Province

12,276,500

\$5,180,941,475

During the year the Province issued Stock and Debentures in the amount of \$697,738,000 and redeemed debentures in the amount of \$64,934,336 for a net increase in this liability of \$632,803,664. Debentures in the amount of \$12,276,500, held as investments of the Province at March 31, 1971, were not cancelled and therefore have been deducted from the gross liability. Details of Stock and Debentures outstanding at March 31, 1971 are shown in the Public Accounts for 1970-71 on pages 60-65.

CONTINGENT LIABILITIES—\$2,412,980,912

	\$
Bonds, etc., guaranteed by the Province of Ontario	2,434,278,412
Less: Held as investments	21,297,500
	<u>2,412,980,912</u>

Details of contingent liabilities are shown in the Public Accounts for 1970-71 on pages 90-93.

REVENUE AND EXPENDITURE

The estimated gross expenditure for the year, as shown on page 5 of the Estimates for the fiscal year ending March 31, 1971, was \$5,090,605,000. In addition to this amount, Supplementary Estimates of \$49,000,000 were voted by the Legislature and thus brought the total estimated gross expenditure to \$5,139,605,000 for the year. The actual gross expenditure was \$5,310,994,763, an increase of \$171,389,763 over the estimated amount.

Expenditures are classified as General Expenditure or Disbursements and Charges. General Expenditure relates to operational activities including purchase of fixed assets. Disbursements are payments made in respect of loans and advances and Charges are payments made from pension funds, deposit, trust and reserve accounts.

The following statement summarizes the increase and decrease in actual gross expenditure relative to the estimated gross expenditure.

COMPARATIVE STATEMENT OF ESTIMATES AND ACTUAL GROSS EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1970 TO MARCH 31, 1971

CLASSIFICATION	ESTIMATES	ACTUAL	ACTUAL TO ESTIMATES	
			INCREASE	DECREASE
	\$	\$	\$	\$
General—				
Voted—				
Main Estimates	3,962,818,000			
Supplementary Estimates	49,000,000			
	4,011,818,000	4,095,028,066	83,210,066	
Statutory	384,604,000	411,617,349	27,013,349	
Special Warrants		7,838,323	7,838,323	
	4,396,422,000	4,514,483,738	118,061,738	
Disbursements and Charges—				
Voted	203,326,000	198,696,072		4,629,928
Statutory	539,857,000	597,814,953	57,957,953	
	743,183,000	796,511,025	57,957,953	4,629,928
	5,139,605,000	5,310,994,763	176,019,691	4,629,928

Summary of Net Increases in Actual Gross as Compared with Estimates of Gross Expenditure

CLASSIFICATION	INCREASE
	\$
Voted	78,580,138
Statutory	84,971,302
Special Warrants	7,838,323
	171,389,763

The net increases in actual gross as compared with estimates of gross expenditure are commented on under the classification of voted, statutory and special warrants as follows:

VOTED

Expenditure appropriations authorized by the Legislative Assembly and actual gross expenditure are summarized below:

	AUTHORIZED	ACTUAL	ACTUAL OVER AUTHORIZED
	\$	\$	\$
General Expenditure.....	4,011,818,000	4,095,028,066	83,210,066
Disbursements and Charges.....	203,326,000	198,696,072	(4,629,928)
	<u>4,215,144,000</u>	<u>4,293,724,138</u>	<u>78,580,138</u>

The principal items accounting for the net over-expenditure of \$78,580,138 were over-expenditures of \$21,853,797 under The Health Services Insurance Act, \$11,999,973 for construction and equipment of additional vocational units for school boards, etc., \$11,998,871 for general legislative grants, \$10,079,000 for continuing education—adult training and \$9,245,937 for mental health salaries, less an under-expenditure of \$20,644,329 re The Municipal Unconditional Grants Act.

In all cases where the actual expenditure exceeded the original appropriation, the necessary authority required under section 22 of The Financial Administration Act was obtained by Treasury Board Order before the accounts were approved for payment.

Treasury Board Orders authorized and the expenditures relating thereto shown in detail on pages 49-63 of this report, are summarized as follows:

	AUTHORIZED	EXPENDED	EXCESS OF AUTHORIZED OVER EXPENDED
	\$	\$	\$
General Expenditure.....	184,289,000	169,441,149	14,847,851
Disbursements and Charges.....	15,361,000	9,789,279	5,571,721
	<u>199,650,000</u>	<u>179,230,428</u>	<u>20,419,572</u>

The Standing Committee on Public Accounts during the fourth session of the twenty-eighth Legislature expressed some interest in funds provided by Treasury Board Orders and their relationship to funds appropriated by the Legislature. The following schedule shows the percentage of actual gross expenditure expended under Treasury Board Orders for the past ten years:

YEAR ENDED	ACTUAL GROSS EXPENDITURE	EXPENDITURES UNDER TREASURY BOARD ORDERS	PERCENTAGE OF TREASURY BOARD ORDERS TO ACTUAL
	\$	\$	%
MARCH 31, 1962	916,251,215	11,092,812	1.21
1963	1,040,514,278	10,696,506	1.03
1964	1,103,961,381	25,661,364	2.32
1965	1,223,911,826	35,094,478	2.87
1966	1,424,377,648	46,326,577	3.25
1967	1,820,311,264	91,028,413	5.00
1968	2,392,787,187	169,744,673	7.09
1969	2,900,161,920	124,246,161	4.28
1970	3,376,028,334	244,956,527	7.26
1971	4,293,724,138	179,230,428	4.17

It will be noted from the amounts shown in the statements of gross expenditure that the Actual Gross Voted Expenditure is more than the total of the related gross estimates. A similar situation exists with respect to Net Voted Expenditures as shown below:

	BUDGET	ACTUAL	ACTUAL OVER BUDGET
	\$	\$	\$
General Expenditure.....	3,624,631,000	3,677,724,757	53,093,757
Disbursements and Charges.....	203,326,000	198,696,072	(4,629,928)
	<u>3,827,957,000</u>	<u>3,876,420,829</u>	<u>48,463,829</u>

STATUTORY

The Estimates for gross statutory expenditure and the actual gross statutory expenditure, excluding capital debt transactions, are summarized as follows:

	ESTIMATES	ACTUAL	ACTUAL OVER ESTIMATES
	\$	\$	\$
General Expenditure.....	384,604,000	411,617,349	27,013,349
Disbursements and Charges.....	539,857,000	597,814,953	57,957,953
	<u>924,461,000</u>	<u>1,009,432,302</u>	<u>84,971,302</u>

The main items accounting for the excess expenditure of \$84,971,302 were advances to The Hydro-Electric Power Commission of Ontario \$84,100,000, payments under The Regional Municipal Grants Act \$20,807,906, advances to The Ontario Junior Farmer Establishment Loan Corporation \$11,500,000 less withdrawals from the Ontario Hospital Services Commission Special Account \$33,000,000.

SPECIAL WARRANTS

During the year expenditures in the amount of \$7,838,323 were made under Special Warrants as authorized under subsection 1, section 21 of The Financial Administration Act.

Details of Special Warrants will be found on pages 65-66 of this report.

With regard to the over-all revenue and expenditure, the Honourable Charles S. MacNaughton, Treasurer of Ontario and Minister of Economics, in his address to the Legislative Assembly of Ontario on March 31, 1970, presented budget forecasts for the fiscal year ended March 31, 1971. The Honourable W. Darcy McKeough, Treasurer of Ontario and Minister of Economics, in his address to the Assembly on April 26, 1971, presented interim statements for the same fiscal year, adjusted for comparison with 1971-72 as indicated on page 92 of the 1971 Budget.

The statements which follow compare the budget forecasts, adjusted for transfers of responsibilities between Departments, with the actual results for the year ended March 31, 1971. Comparative summaries of the interim statements and the actual results are shown on pages 45-48 of this report. In each case the comparative budget and interim statements follow the format presented in the respective Budget Statement.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NET GENERAL
REVENUE FOR THE FISCAL YEAR APRIL 1, 1970 TO MARCH 31, 1971**

	BUDGET NET GENERAL REVENUE	ACTUAL NET GENERAL REVENUE	ACTUAL TO BUDGET	
			INCREASE	DECREASE
	\$	\$	\$	\$
Taxation:				
Income Tax Collection Agreement.....	948,000,000	991,845,315	43,845,315	
Retail Sales Tax.....	679,000,000	674,184,048		4,815,952
Corporations Tax.....	457,000,000	414,063,374		42,936,626
Gasoline Tax.....	376,000,000	375,778,070		221,930
Succession Duty.....	72,500,000	81,315,769	8,815,769	
Tobacco Tax.....	72,000,000	75,301,460	3,301,460	
Motor Vehicle Fuel Tax.....	33,000,000	33,334,366	334,366	
Mines Profits, Acreage, Gas.....	32,300,000	25,441,642		6,858,358
Share of Federal Estate Tax.....	26,000,000	28,382,750	2,382,750	
Race Tracks Tax.....	23,000,000	20,341,749		2,658,251
Land Transfer Tax.....	16,000,000	11,308,231		4,691,769
Income Tax—Public Utilities.....	8,500,000	10,575,071	2,075,071	
Security Transfer Tax.....	7,000,000	5,263,735		1,736,265
Logging Tax.....	2,000,000	1,695,723		304,277
Other Taxation.....	5,000,000	4,960,790		39,210
Total Tax Revenue.....	2,757,300,000	2,753,792,093	60,754,731	64,262,638
Other Revenue:				
Treasury and Economics				
Post-Secondary Education				
Adjustment Payment.....	150,000,000	143,409,000		6,591,000
Water Power Rentals.....	10,500,000	8,189,823		2,310,177
Other.....	5,000,000	16,387,223	11,387,223	
	165,500,000	167,986,046	11,387,223	8,901,177
Health.....	324,800,000	349,820,236	25,020,236	
Liquor Control Board of Ontario.....	192,400,000	193,209,268	809,268	
Transport.....	155,000,000	151,620,654		3,379,346
Justice.....	48,900,000	47,388,246		1,511,754
Lands and Forests.....	43,400,000	37,732,185		5,667,815
Education.....	10,700,000	9,073,705		1,626,295
Public Works.....	8,300,000	3,935,233		4,364,767
Financial and Commercial Affairs.....	7,300,000	5,275,831		2,024,169
Agriculture and Food.....	4,800,000	1,838,970		2,961,030
Highways.....	4,100,000	4,761,021	661,021	
Correctional Services.....	3,400,000	3,665,501	265,501	
Tourism and Information.....	3,300,000	3,065,382		234,618
Labour.....	3,000,000	3,391,914	391,914	
Mines and Northern Affairs.....	1,900,000	2,184,928	284,928	
Other Departments.....	5,200,000	12,834,424	7,634,424	
Total Other Revenue.....	982,000,000	997,783,544	46,454,515	30,670,971
Total Net General Revenue.....	3,739,300,000	3,751,575,637	107,209,246	94,933,609

**COMPARATIVE STATEMENT OF BUDGET* AND ACTUAL NET GENERAL
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1970 TO MARCH 31, 1971**

	BUDGET NET GENERAL EXPENDITURE	ACTUAL NET GENERAL EXPENDITURE	ACTUAL TO BUDGET INCREASE	DECREASE
	\$	\$	\$	\$
Education.....	1,102,437,000	1,125,204,865	22,767,865	
Health.....	677,872,000	692,801,936	14,929,936	
Highways.....	490,854,000	497,291,104	6,437,104	
University Affairs.....	424,307,000	429,403,377	5,096,377	
Municipal Affairs.....	250,174,000	262,090,366	11,916,366	
Social and Family Services.....	155,781,000	144,033,420		11,747,580
Justice.....	105,130,000	116,179,672	11,049,672	
Public Works.....	98,823,000	104,073,499	5,250,499	
Public Debt—Interest.....	74,799,000	61,163,580		13,635,420
Agriculture and Food.....	73,135,000	64,384,172		8,750,828
Lands and Forests.....	67,729,000	71,068,902	3,339,902	
Treasury and Economics.....	66,867,000	67,511,310	644,310	
Correctional Services.....	48,029,000	49,600,237	1,571,237	
Energy and Resources Management.....	29,297,000	31,669,162	2,372,162	
Trade and Development.....	27,453,000	42,088,394	14,635,394	
Labour.....	16,439,200	16,717,152	277,952	
Transport.....	14,054,000	14,700,452	646,452	
Tourism and Information.....	12,850,000	13,575,847	725,847	
Revenue.....	11,239,000	11,589,857	350,857	
Mines and Northern Affairs.....	10,309,800	10,080,259		229,541
Provincial Secretary and Citizenship....	8,506,000	8,956,324	450,324	
Financial and Commercial Affairs.....	4,700,000	5,215,979	515,979	
Civil Service.....	2,820,000	2,886,369	66,369	
Treasury Board.....	2,010,000	2,017,674	7,674	
Provincial Auditor.....	979,000	988,903	9,903	
Prime Minister.....	384,000	518,571	134,571	
Lieutenant Governor.....	40,000	36,065		3,935
Government Stationery Account.....		149,117	149,117	
Total Net General Expenditure.....	3,777,018,000	3,845,996,565	103,345,869	34,367,304

*Includes Supplementary Estimates.

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1970 TO MARCH 31, 1971**

	BUDGET NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO BUDGET INCREASE	DECREASE
	\$	\$	\$	\$
Receipts and Credits				
Proceeds of Non-Public Debenture Issues:				
Canada Pension Plan.....	460,000,000	476,038,000	16,038,000	
Ontario Municipal Employees Retirement Fund.....	55,000,000	57,600,000	2,600,000	
Teachers' Superannuation Fund	90,000,000	80,000,000		10,000,000
	<u>605,000,000</u>	<u>613,638,000</u>	<u>18,638,000</u>	<u>10,000,000</u>
Debenture Issues on behalf of The Hydro-Electric Power Commission of Ontario.....		84,100,000	84,100,000	
Province of Ontario Savings Office Deposits (Net).....		12,498,488	12,498,488	
Repayment of Loans and Advances:				
The Hydro-Electric Power Commission of Ontario.....	1,100,000	11,154,358	10,054,358	
The Municipal Works Assistance Act.....	3,800,000	3,958,977	158,977	
The Ontario Municipal Improvement Corporation.....	3,500,000	4,590,500	1,090,500	
The Ontario Universities Capital Aid Corporation.....	10,200,000	10,052,708		147,292
The Ontario Education Capital Aid Corporation.....	23,000,000	28,686,521	5,686,521	
Ontario Development Corporation.....	3,400,000	1,349,045		2,050,955
Ontario Hospitals re Hospital Construction Loans.....	5,700,000	4,427,183		1,272,817
Other.....	10,200,000	39,057,715	28,857,715	
	<u>60,900,000</u>	<u>103,277,007</u>	<u>45,848,071</u>	<u>3,471,064</u>
Pension Funds, Deposit, Trust and Reserve Accounts:				
Public Service Superannuation Fund.....	90,800,000	86,362,275		4,437,725
Motor Vehicle Accident Claims Fund.....	7,500,000	8,045,682	545,682	
Ontario Hospital Services Commission—Special Account for Premium Stabilization.....	29,000,000	25,380,000		3,620,000
Ontario Municipal Employees Retirement Fund.....	12,000,000	13,600,000	1,600,000	
Other.....	500,000	1,627,334	1,127,334	
	<u>139,800,000</u>	<u>135,015,291</u>	<u>3,273,016</u>	<u>8,057,725</u>
Total Receipts and Credits.....	<u>805,700,000</u>	<u>948,528,786</u>	<u>164,357,575</u>	<u>21,528,789</u>

**COMPARATIVE STATEMENT OF BUDGET AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1970 TO MARCH 31, 1971
(Continued)**

	BUDGET NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO BUDGET INCREASE	DECREASE
	\$	\$	\$	\$
Disbursements and Charges				
Loans and Advances:				
The Ontario Municipal Improve- ment Corporation	10,000,000	6,278,000		3,722,000
Ontario Housing Corporation and Ontario Student Housing Corporation	41,600,000	44,807,108	3,207,108	
Housing Corporation Limited ..	50,000,000	49,490,000		510,000
The Ontario Universities Capital Aid Corporation	175,000,000	174,760,000		240,000
The Ontario Education Capital Aid Corporation	200,000,000	201,512,000	1,512,000	
Ontario Water Resources Com- mission	35,000,000	38,033,501	3,033,501	
Hospital Capital Financial As- sistance	28,000,000	29,639,200	1,639,200	
The Hydro-Electric Power Com- mission of Ontario		84,100,000	84,100,000	
The Hydro-Electric Power Com- mission of Ontario re Nuclear Powered Generating Station	25,000,000	23,900,914		1,099,086
Ontario Development Corpora- tion	30,900,000	14,381,267		16,518,733
Tile Drainage Debentures	3,300,000	5,766,350	2,466,350	
Other	1,800,000	12,994,120	11,194,120	
	<u>600,600,000</u>	<u>685,662,460</u>	<u>107,152,279</u>	<u>22,089,819</u>
 Pension Funds, Deposit, Trust and Reserve Accounts:				
Redemption of Vacation-with- Pay Stamps	1,500,000	151,120		1,348,880
Public Service Superannuation Fund	24,200,000	23,494,851		705,149
Motor Vehicle Accident Claims Fund	8,300,000	7,512,515		787,485
Ontario Hospital Services Com- mission—Special Account for Premium Stabilization	100,000,000	67,000,000		33,000,000
Ontario Municipal Employees Retirement Fund	8,400,000	10,100,000	1,700,000	
Other	200,000	2,678,559	2,478,559	
	<u>142,600,000</u>	<u>110,937,045</u>	<u>4,178,559</u>	<u>35,841,514</u>
 Total Disbursements and Charges ..	<u>743,200,000</u>	<u>796,599,505</u>	<u>111,330,838</u>	<u>57,931,333</u>
 Surplus on Non-Budgetary Transactions	<u>62,500,000</u>	<u>151,929,281</u>	<u>53,026,737</u>	<u>(36,402,544)</u>

**PRINCIPAL ITEMS OF NET GENERAL REVENUE AND EXPENDITURE
FOR THE FISCAL YEAR ENDED MARCH 31, 1971**

An analysis of net general revenue and expenditure for the fiscal year ended March 31, 1971 showing percentages of each item to the total, classified by major categories, is presented in the following statements:

NET GENERAL REVENUE

	\$	%
Personal Income Tax Collection Agreement.....	991,845,315	26.44
Retail Sales Tax.....	674,184,048	17.97
Corporations Tax.....	414,063,374	11.03
Gasoline Tax.....	375,778,070	10.02
Ontario Health Services Insurance Plan Premiums.....	320,332,396	8.53
Liquor Profits, Gallonage Fees, etc.....	193,209,268	5.15
Motor Vehicle Licences and Permits, Fees, etc.....	151,620,654	4.04
Post-Secondary Education Adjustment Payment.....	143,409,000	3.82
Succession Duty.....	81,315,769	2.17
Tobacco Tax.....	75,301,460	2.01
Fees, Fines and Penalties—Justice.....	46,889,284	1.25
Motor Vehicle Fuel Tax.....	33,334,366	.89
Share of Federal Estate Tax.....	28,382,750	.76
Mines Profits, Acreage and Gas Taxes.....	25,441,642	.68
Other Revenue.....	196,468,241	5.24
	<u>3,751,575,637</u>	<u>100.00</u>

NET GENERAL EXPENDITURE

	\$	\$	%
Education—			
Department of Education.....	1,125,204,865		
Department of University Affairs.....	429,403,377		
		1,554,608,242	40.42
Health Services.....		692,801,936	18.01
Highways—Construction, Maintenance, etc.....		497,291,104	12.93
Municipal Services, Grants, etc.....		262,090,366	6.82
Social and Family Services.....		144,033,420	3.75
Administration of Justice, Law Enforcement, etc.....		116,179,672	3.02
Public Works—Construction, Maintenance, etc.....		104,073,499	2.71
Conservation of Forests, Fish and Wildlife.....		71,068,902	1.85
Agricultural Services, Grants, etc.....		64,384,172	1.67
Debt Transactions—Interest, etc.....		61,163,580	1.59
Contributions to Employee Pensions, Insurance Plans, etc.....		56,889,877	1.48
Correctional Services.....		49,600,237	1.29
Trade and Development.....		42,088,394	1.09
Other Expenditure.....		129,723,164	3.37
		<u>3,845,996,565</u>	<u>100.00</u>

A graphic presentation of the four major items of net general revenue and net general expenditure, shown on pages 40-43 of this report, compares these items for the five years ended March 31, 1971.

The total net general revenue of the Province for the year ended March 31, 1971 was \$3,751,575,637, an increase of \$450,799,194 over that for the year ended March 31, 1970. This increase was accounted for

mainly by increases of \$229,758,834 in Personal Income Tax and \$152,619,108 in Ontario Health Services Insurance Plan Premiums.

The total net general expenditure for the year was \$3,845,996,565, an increase of \$596,752,384 over that for the previous year. The main items accounting for this increase were education costs \$219,378,702 and health services \$144,716,372.

Certain revenues are reported net of commission or remuneration paid for their collection. Examples of these revenues are Retail Sales Tax, Motor Vehicle Licences and Permits and Gasoline Tax which are shown net of collection costs of approximately \$8,900,000, \$2,400,000 and \$2,300,000 respectively.

Education continues to be the most costly service provided by the Province. Expenditures by the Department of Education and the Department of University Affairs amounted to \$1,554,608,242 or 40.42% of the total net general expenditure for the year. In addition, the Province advanced capital funds to The Ontario Education Capital Aid Corporation in the amount of \$201,512,000 and to The Ontario Universities Capital Aid Corporation in the amount of \$174,760,000. These advances were made to enable these Corporations to invest in debentures issued by colleges, universities and municipalities for educational purposes.

Net general expenditure on health services by the Department of Health totalled \$692,801,936 for the year, an increase of \$144,716,372 over that of the previous year. The main items accounting for the increase were the increase of \$204,573,781 in Health Services Insurance less a decrease of \$100,740,873 in Ontario Hospital Services. In addition to the net general expenditure of \$692,801,936, advances in the amount of \$29,639,200 were made for hospital capital financial assistance.

The expenditures on health services include a transfer of funds to Deposit and Trust Accounts of \$25,380,000 to the premium stabilization account of the Ontario Hospital Services Commission. This transfer was authorized by Order in Council and, after withdrawals of \$67,000,000 during the year, left a balance of \$105,380,000 in the account at March 31, 1971.

Net expenditures by the Department of Highways totalled \$497,291,104, consisting of \$338,054,721 on road construction and \$159,236,383 on GO Transit, road maintenance and other operating expenses.

The Department of Municipal Affairs expended a net amount of \$262,090,366 on municipal services, grants, etc. The main item of expenditure was tax relief of \$155,860,269 provided under The Residential Property Tax Reduction Act. In addition, loans to municipalities, etc. were made in the amount of \$580,311.

Net expenditures on fixed assets were made during the year as follows:

	\$
Highways and Roads	343,647,934
Land and Buildings	87,016,103
General Works and Improvements	3,270,035
Provincial Parks	9,085,395
Rural Power Transmission Lines	2,584,662
	<u>445,604,129</u>

The Province contributed \$23,465,749 to the Public Service Superannuation Fund in accordance with section 10 of The Public Service Superannuation Act. In addition, payments were made to the Fund by the Province of \$4,131,000 to prevent any increase in the initial unfunded liability of \$82,616,000 at January 1, 1965 and \$10,409,400 towards the experience deficiency of \$42,401,000 occurring in the period January 1, 1965 to December 31, 1967. The next valuation of the Fund is required as at December 31, 1970. No report on this valuation had been received at the time of preparation of this report.

The Province contributed \$45,500,311 to the Teachers' Superannuation Fund in accordance with sections 22 and 23 of The Teachers' Superannuation Act. In addition, a payment of \$14,889,000 was made to the Fund to prevent any increase in the estimated unfunded liability at December 31, 1966. This liability has now been established as \$328,282,000 and the actuary, in his report dated September 9, 1970, stated that the annual payment required is \$16,414,100 and that extra payments of \$1,525,100 should be made for each year since 1966 with interest accumulated at 5% until they are actually received by the Fund. These payments had not been made as at March 31, 1971.

The next valuation of the Fund is to be made as at December 31, 1969. No report on this valuation had been received at the time of preparation of this report but the actuary expects a sizeable experience deficiency which will have to be liquidated in five years.

AUDIT OF REVENUE—COMMENTS

A continuous post audit of the revenues of the Province is being maintained. Systematic examinations of the accounts of various Departments have been made during the year and included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as were considered necessary in the circumstances.

The Departments are directly responsible for the accuracy of revenue records, the efficiency of systems in operation, and the speed with which billings and assessments are made and collections effected. While, as Auditor, I am concerned with these factors, my prime interest is to examine the accounting systems and internal controls that are being maintained, and the extent of the internal audit function, if any, that is

being performed in these areas. The information obtained as a result of these examinations is most important in determining the reliability of the accounting process and, subject to the following comments, enables me to be of the opinion that a proper accounting is being made of the revenue of the Province.

Reports on the various audits and examinations performed during the year have been submitted to the Minister of the Departments concerned, and to the officials of Boards and Commissions where applicable. Copies of these reports have been presented, as requested, to the Standing Committee on Public Accounts for its consideration. Recommendations and suggestions have been made, where necessary, for improvement in internal controls and in general efficiency of the accounting process. In all cases these recommendations and comments are followed up at subsequent visits to determine if the necessary corrective action has been taken. Any matter of sufficient importance that has not been acted upon within a reasonable time is commented on in this report to the Legislative Assembly.

The report on the audit of revenue of the Department of Mines and Northern Affairs dated June 9 1971, commented again on the discretionary powers given to the mine assessor under The Mining Tax Act. The pertinent paragraph of the report reads as follows:

"One of the most important factors in the assessing of mining tax is the amount at which the mine assessor appraises the output at the pit's mouth, as required by Section 3 (3) (c) of the Act. Methods of appraising the pit mouth value of output of mines have been set and practiced for a number of years, and it is recommended that certain of these methods, common to all situations, should be stated in the Act or Regulations. It would seem that this could be done without hindering the assessor's prerogative of being able to adapt the detail to the various peculiarities of particular circumstances."

Reference was made also in this report to the lack of Regulations covering chemical and assay coupons and fees.

Matters of this nature should be set out in the Act or Regulations so that taxpayers and other interested persons may obtain knowledge of policy, rates and conditions by reference to a public document.

A loss may be incurred by the Department of Mines and Northern Affairs on realization of forfeited security deposits held in connection with gas and oil licences. These deposits consisted of Government of Canada 3% perpetual bonds which were accepted at face value of \$68,600 for security requirements of \$67,950 although the market value was approximately \$29,000 when lodged. On forfeiture of the deposits, the proceeds from the sale of these bonds fell some \$40,000 short of requirements. Recovery of this amount from the companies concerned is considered doubtful.

As part of our program, audits are performed of hospitals operated under the Mental Health Division of the Department of Health. These audits consist of an examination of revenue and trust fund records.

A source of revenue that comes under review is the recovery of maintenance charges for hospital care. With the inception of the Hospital Care Insurance Plan and its extension to patients in these hospitals, there has been a reduction in the amount of maintenance recovered, since only uninsured patients are liable for maintenance. Nevertheless, the accounting functions and collection procedures continue to take up a significant amount of time and effort on the part of the business office staff.

At the time of preparation of this report, collection policies and procedures for maintenance had not been spelled out by the Department and may vary from hospital to hospital. I am concerned about this operation, particularly as gross maintenance accounts receivable are increasing while actual cash received is decreasing. A comparison of the last two years, based on information provided by the Department, is as follows:

	GROSS ACCOUNTS RECEIVABLE	ACTUAL CASH RECEIVED
	\$	\$
March 31, 1971	5,438,781	311,167
March 31, 1970	4,539,958	439,062
Increase	898,823	(127,895)

A specific example of this situation was contained in my report dated June 28, 1971 on the audit of the Northeastern Regional Mental Health Centre at Porcupine, Ontario. This report indicated that, from inception in 1968 to May 31, 1971, the hospital had billed \$243,962 to patients but collected only \$1,338.

Consideration should be given to the cost of collecting this maintenance revenue. A cost-benefit study could be undertaken to determine if the revenue received warrants the administrative costs incurred, particularly in view of a lack of Departmental policy in this area.

With respect to maintenance from patients in Residential Units and Homes for Special Care, it is understood, at the time of preparation of this report, that a policy on collection is being formulated and the procedures necessary to carry out this policy are being introduced.

Reference was made in my report for 1967-68 to the substantial balances accumulated in the Canteen Surplus Accounts and Patients' Pin Money Interest Accounts of the various mental health institutions. A current review indicated that balances totalling approximately \$340,000 were on hand, consisting of \$226,000 in Canteen Surplus Accounts and \$114,000 in Patients' Pin Money Interest Accounts with certain balances ranging as high as \$31,000.

It is understood that these balances of approximately \$340,000 are to be used for the benefit of patients. With the number of indigent patients in Ontario Hospitals it is difficult to comprehend how amounts of this size would have accumulated in bank accounts around the Province rather than being used for the benefit of patients. An alternative would be to offset these funds against the related administrative expense incurred.

AUDIT OF EXPENDITURE—COMMENTS

The examination of expenditures for the year ended March 31, 1971 was done on a pre-audit basis; that is, all accounts of expenditure of public moneys out of the Consolidated Revenue Fund were examined and approved in accordance with existing legislation before payment was made.

Subsequent to March 31, 1971, amendments to The Audit Act and The Financial Administration Act were enacted to permit the planned phase-out of the pre-audit function by the Provincial Auditor. This Office will assume a post-audit function of those Departments named from time to time by the Lieutenant Governor in Council.

Under authority granted to the Provincial Auditor in section 9 (3) of The Audit Act, certain expenditure vouchers were admitted as satisfactory after determining that they had been examined and certified correct by the Department concerned and having regard to the character of the Departmental examination. Nevertheless, more than 65% of requisitions passed for payment were examined in detail.

An analysis of expenditure transactions examined during the year indicated that,

1. 100,626 requisitions for payment, which usually include many payees, were received and 5,565 of these requisitions were returned for various reasons, including errors in the amount payable, for the necessary corrective action;
2. 56 requisitions and journal entries in the amount of \$4,772,991 were returned due to there being insufficient funds in the respective appropriations to pay the full amount requested; and
3. 296 cheques totalling \$63,444 were cancelled to prevent duplicate payments.

Expenditure procedures and controls should be reviewed by the Departments and strengthened, where necessary, to avoid a repetition of the above occurrences.

Reference was made previously in this report to Treasury Board Orders authorized, the expenditures relating thereto and the percentage of these expenditures to the total gross expenditure. These figures referred to totals and average percentage only and are not indicative of all

individual votes and items. For example, the following list compares amounts over \$300,000 appropriated by the Legislature with related amounts, 30% or more, spent under Treasury Board Order for the year ended March 31, 1971:

VOTE	ITEM	APPROPRIATION \$	SPENT UNDER TREASURY BOARD ORDER	PERCENTAGE TREASURY BOARD ORDER TO APPROPRIATION %
			\$	
104	5	700,000	899,998	128.6
403	7	40,000,000	11,999,974	30.0
405	4	30,290,000	10,079,000	33.3
507	3	639,000	207,135	32.4
701	8	375,100	134,995	36.0
704	3	945,700	496,802	52.5
1102	4	750,000	724,936	96.7
1301	1	554,500	389,374	70.2
1301	3	377,800	217,192	57.5
1404	3	388,000	316,694	81.6
1406	3	2,500,000	999,946	40.0
1501	1	306,900	120,973	39.4
2002	3	440,000	156,019	35.5
2206	1	405,000	193,906	47.9
2206	2	8,500,000	5,415,678	63.7
2209	1	6,023,000	5,944,000	98.7
2403	4	376,000	227,226	60.4

The Province contributes annually to the Teachers' Superannuation Fund an amount equal to the contributions by employees and interest thereon in accordance with sections 22 and 23 of The Teachers' Superannuation Act. During the year ended March 31, 1971, a payment of \$45,500,311 was made to the Fund, consisting of an amount equal to the contributions by employees of \$43,060,231 and interest thereon of \$2,440,080. A subsequent review of this payment revealed that the interest charge had been understated by some \$683,000. An additional payment of this amount will be made in 1971-72.

In May, 1969 the Department of Correctional Services instituted a program whereby inmates of adult correctional institutions, other than jails, would have the opportunity to earn an incentive allowance. This allowance consists of a spending portion and a compulsory savings portion and is earned by those inmates whose daily conduct and industry are satisfactory.

Expenditures under this program for the fiscal year ended March 31, 1971 amounted to \$545,850, consisting of cash disbursements to discharged inmates of \$328,422 and canteen supplies purchased by inmates of \$217,428.

The authority for payment of the incentive allowance is contained in Ontario Regulation 345/69 under The Department of Correctional Services Act. This Regulation provides for the granting of an incentive allowance in such amount and payable in such manner and at such times as the Minister may prescribe.

It is felt that details of the amounts and manner of determination should be in the form of a Regulation published in the Ontario Gazette. In this way inmates, their dependants and other interested parties will be aware of the program, the method of operation, and the manner and amount of payment.

In my report for 1967-68, I commented on the fact that The Department of University Affairs Act did not contain provisions prescribing requirements for the payment of student awards, grants to universities and colleges for operating costs, etc., nor did it provide for making Regulations thereunder. This Act was repealed during the 1971 Session of the Legislature and replaced by The Department of Colleges and Universities Act, 1971, effective October 1, 1971.

The new Act also does not contain provisions prescribing these requirements nor does it provide for the making of Regulations in this respect. Moneys voted for operating grants and awards are distributed on the basis of policy and formulae established by the Department. It is felt that the terms and conditions of programs of this size and complexity should be set forth in the Act or Regulations so that these details are public information.

The Department of Public Works purchased property with a 100 ft. frontage at 250 Bloor Street West, Toronto for \$800,000. This property is subject to an easement in favour of the University of Toronto to provide parking for 31 cars. As far as I am able to determine, this property is to be used for recreational purposes by the City of Toronto and the Ontario Institute for Studies in Education.

Section 4 of The Agricultural Representatives Act requires each county council to pay \$500 annually into a bank to the credit of its agricultural representative, who is an employee of the Ontario Department of Agriculture and Food. I understand that, as at March 31, 1971, there were balances totalling \$29,838 in some 43 bank accounts. Since these funds are not part of the Consolidated Revenue Fund, the receipts, disbursements and balances have not been subject to audit by this Office.

AUDIT OF CROWN AGENCIES—COMMENTS

The authority of the Provincial Auditor to audit Boards, Commissions and other Crown Agencies is contained in the related statutes governing each Agency. At the present time this Office conducts separate audits, and presents reports thereon, of some forty-five Agencies, exclusive of those whose purpose is of an advisory nature. This latter group is audited as part of a Department. In addition, eleven Agencies are audited by public accountants.

There is variety in structure and operation of these Agencies. Some Agencies operate financially independent of the Province, some rely to a large extent on support from the Consolidated Revenue Fund, while others deposit all their revenue into, and have all expenditures paid from, the Consolidated Revenue Fund.

In my report on the audit of the Pension Commission of Ontario dated August 25, 1971, I again commented on the treatment of its revenue and expenditure as follows:

"Section 10 (1) (e) of The Pension Benefits Act permits the Commission to retain its revenue and section 11 provides for moneys required for the purposes of the Commission, in addition to fees under section 10 (1) (e) and the fines imposed under section 29, to be paid out of moneys appropriated therefor by the Legislature.

However, revenue is remitted to the Treasurer of Ontario and expenditures, voted gross, are paid by the Treasurer of Ontario. As this has been the pattern for some years it is felt that the wording of the Act should now be changed. It is understood that consideration is now being given to these and other changes. This point was also drawn to the attention of the Commission in my report dated May 24, 1966."

The audit of the Legal Aid Fund is performed under authority of section 8 of The Legal Aid Act which reads "The Provincial Auditor shall examine and report upon the accounts and financial transactions of the Fund."

The audit consists of an examination of the receipts and disbursements for the year and the balance in the Fund at the end of the year. The receipts consist mainly of contributions from the Province and for the year ended March 31, 1971 these contributions were \$10,221,600 or 94.3% of the total receipts. The balance of receipts making up the total of \$10,838,137 for the year were contributions from clients of \$312,555, judgements, costs and settlements of \$303,403 and miscellaneous income of \$579.

As indicated above, recipients of legal aid contribute only a small portion of the receipts of the Fund. However, the amounts recoverable from clients continue to increase and amounted to \$1,540,629 at March 31, 1971 analyzed as follows:

Instalment accounts.....	\$	
Current accounts, 1-31 days.....		542,420
Past due accounts:		77,860
	\$	
1-30 days.....	59,521	
31-60 days.....	51,266	
61-90 days.....	40,940	
over 90 days.....	768,622	
		<hr/>
		920,349
		<hr/>
		1,540,629
		<hr/>

The collection policies should be reviewed and strengthened if it is the intention to recover amounts assessed against the clients.

A matter of some concern is the determination of liability of an incorporated company for transfer fees under section 49 of The Liquor Licence Act where an interest may be transferred as a result of any issue or transfer of shares. Where the shares of an incorporated company that is the holder of a licence are held by another incorporated company, a substantial interest could be transferred by an issue or transfer of shares of that other company; similarly, a substantial interest could be transferred by an issue or transfer of shares of a third or fourth company.

It would appear advisable to amend section 49 so that it deals with changes in the ultimate beneficial ownership of the licence. Furthermore, the licence holder should be required to report such changes in beneficial ownership to the Liquor Licence Board of Ontario.

Problems continue to exist in obtaining financial statements for audit from Ontario Housing Corporation and Ontario Student Housing Corporation. In addition, I am also concerned about the number of errors in the accounting entries and the weakness in the controls over equipment and appliances and in procedures relating to the purchase of certain goods and services. While it is appreciated that these organizations have been under a constantly increasing work load and heavy financial involvement with other levels of government, it is recommended that the Corporations strengthen their senior financial management. It is our intention to work closely with the Corporations on an early completion of audited financial statements. If this goal is to be achieved it is essential for the Corporations to give this matter a high priority.

No audit of the Ontario Deposit Insurance Corporation was made for the fiscal year ended December 31, 1970. I have been advised that the Corporation had no assets or liabilities and that no transactions involving the Corporation took place during the year.

CHARTS AND STATEMENTS

Charts showing the trend in certain items of net general revenue and net general expenditure, and statements of Consolidated Revenue Fund and comparison of interim and actual net general revenue, net general expenditure and non-budgetary transactions appear on pages 40-48 of this report.

Statements showing details of Treasury Board Orders issued for the authorization of expenditures in excess of appropriations and Special Warrants issued during the fiscal year ended March 31, 1971 follow the charts and statements referred to above.

GENERAL

As mentioned previously in this report, The Audit Act was amended during the 1971 Session of the Legislature and this amendment was proclaimed August 31, 1971. The significant changes resulting from this new legislation may be summarized as follows:

1. A shift from the pre-audit of expenditure to a post-audit of expenditure by the Provincial Auditor on a Department by Department basis. The Lieutenant Governor in Council, on the recommendation of the Treasurer of Ontario and with the concurrence of the Treasury Board, will designate from time to time those Departments for which the pre-audit of expenditure role will cease.
2. Cheques issued by the Treasurer of Ontario will no longer be countersigned by the Auditor.
3. The Public Accounts for the 1971-72 Fiscal Year and subsequent years shall be prepared under the direction of the Treasurer of Ontario and audited by the Provincial Auditor.

The amendment to The Audit Act is in keeping with the recommendation of the Committee on Government Productivity made in its interim report Number One. This Committee reviewed the audit function and concluded that the pre-audit by the Provincial Auditor should be replaced by proper departmental accounting systems reinforced by a thorough post-audit carried out by professional staff under the Provincial Auditor.

My assistant, Mr. R. B. Cranston, C.A., retired effective April 30, 1971. Mr. Cranston served this Office faithfully for some thirty-two years, the last seven and one half as Assistant Provincial Auditor. Mr. W. S. Groom, B.A., M.B.A., C.A., with ten years experience in this Office, was appointed to this position effective April 1, 1971.

I am pleased to have this opportunity to acknowledge the willing co-operation and effective help of the officials and staff of the various Departments, Boards and Commissions during the conduct of the audit.

George H. Spence F.C.A.

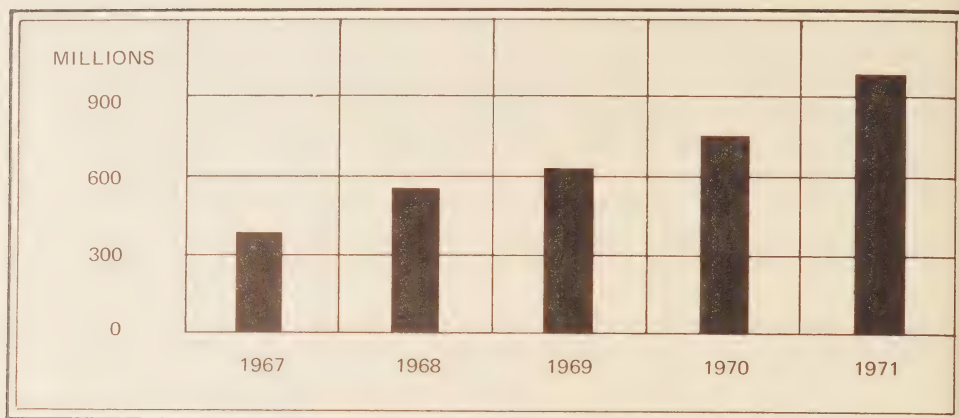
GEORGE H. SPENCE, F.C.A.,
Provincial Auditor.

Toronto, November 26, 1971.

CHARTS AND STATEMENTS

MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

PERSONAL INCOME TAX

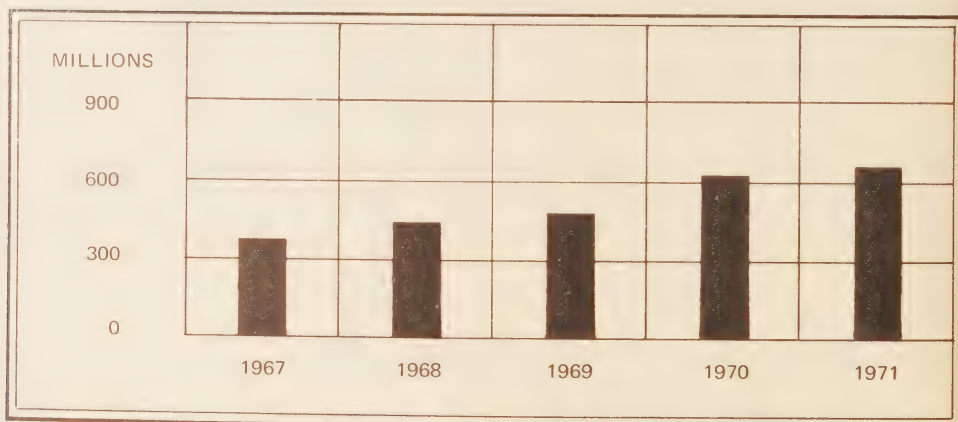


YEAR ENDED
MARCH 31

AMOUNT

1967	.....	\$ 393,836,627
1968	.....	551,003,573
1969	.....	620,475,685
1970	.....	762,086,481
1971	.....	991,845,315

RETAIL SALES TAX



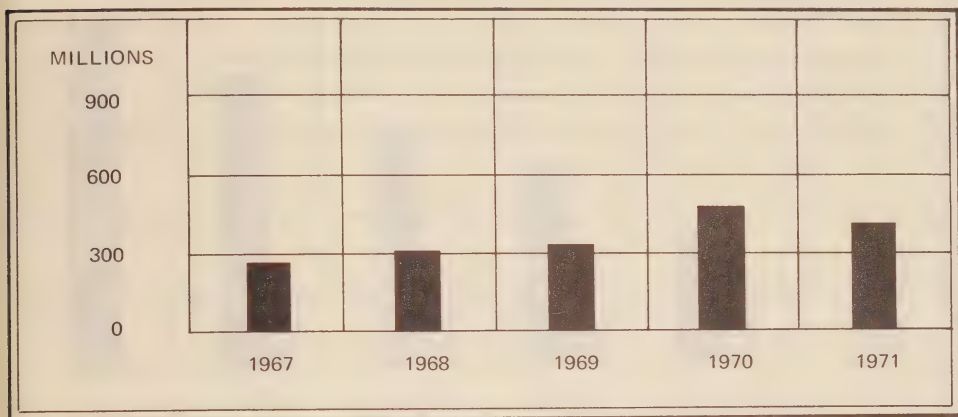
YEAR ENDED
MARCH 31

AMOUNT

1967	.....	\$ 385,574,600
1968	.....	435,666,243
1969	.....	485,587,553
1970	.....	637,263,927
1971	.....	674,184,048

GENERAL REVENUE
YEARS ENDED MARCH 31, 1971

CORPORATIONS TAX

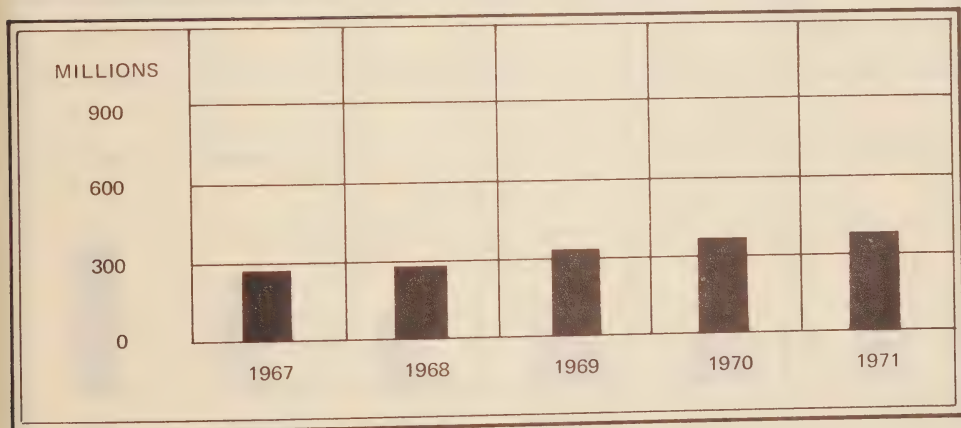


YEAR ENDED
MARCH 31

AMOUNT

1967	.....	\$ 274,499,829
1968	.....	302,272,738
1969	.....	332,963,862
1970	.....	477,173,456
1971	.....	414,063,374

GASOLINE TAX



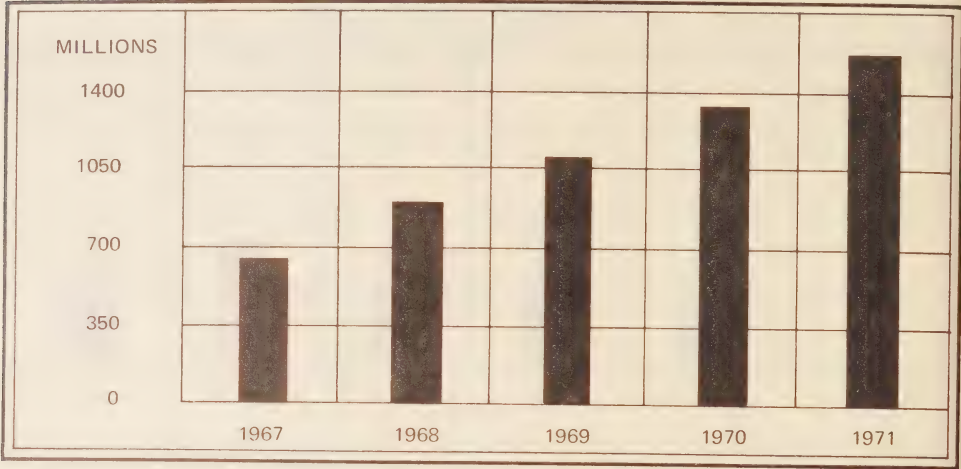
YEAR ENDED
MARCH 31

AMOUNT

1967	.....	\$ 266,391,391
1968	.....	283,220,886
1969	.....	337,283,978
1970	.....	361,936,510
1971	.....	375,778,070

MAJOR ITEMS OF NET
COMPARED FOR THE FIVE

EDUCATION

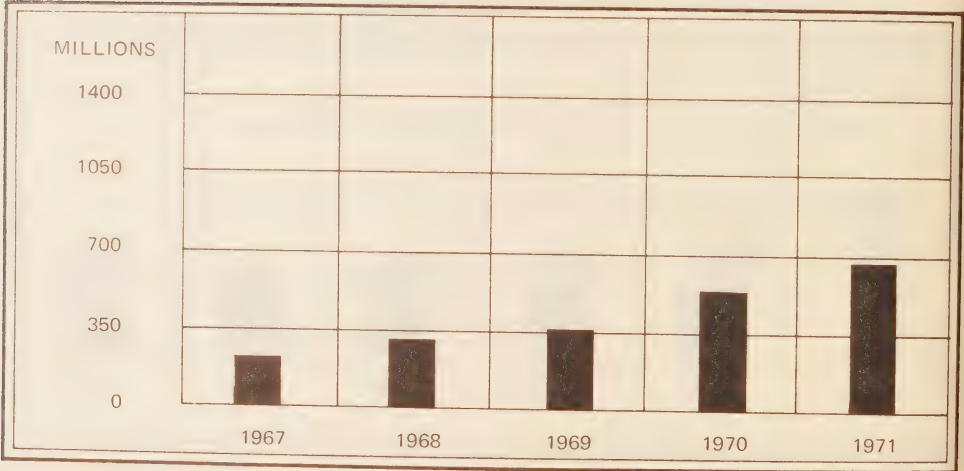


YEAR ENDED
MARCH 31

AMOUNT

1967	.....	\$ 660,114,577
1968	.....	907,373,717
1969	.....	1,096,214,853
1970	.....	1,335,229,540
1971	.....	1,554,608,242

HEALTH SERVICES



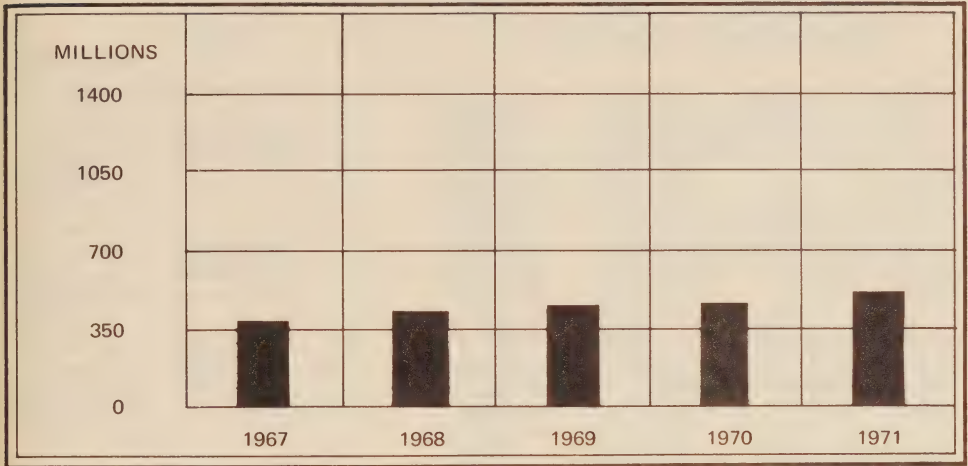
YEAR ENDED
MARCH 31

AMOUNT

1967	.....	\$ 213,241,515
1968	.....	314,235,937
1969	.....	366,876,451
1970	.....	548,085,564
1971	.....	692,801,936

**GENERAL EXPENDITURE
YEARS ENDED MARCH 31, 1971**

HIGHWAYS and ROADS

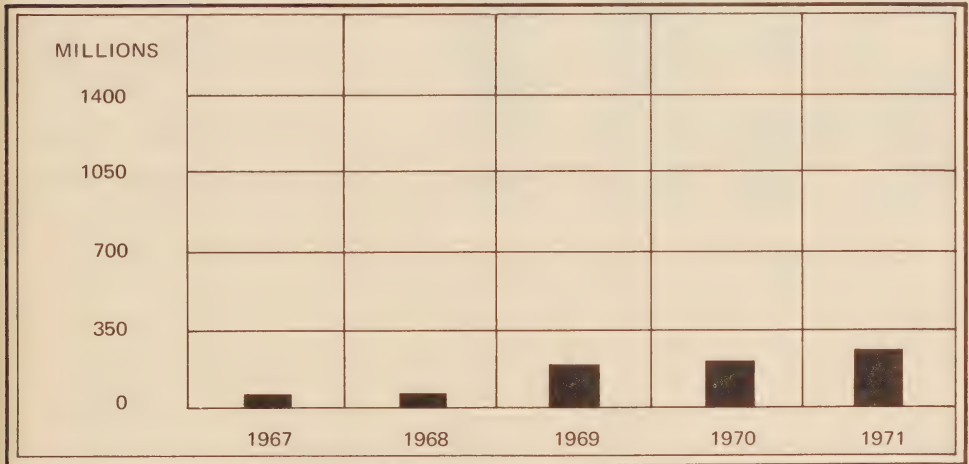


YEAR ENDED
MARCH 31

AMOUNT

1967	.....	\$ 390,567,594
1968	.....	423,026,272
1969	.....	438,640,542
1970	.....	454,647,507
1971	.....	497,291,104

MUNICIPAL SERVICES



YEAR ENDED
MARCH 31

AMOUNT

1967	.....	\$ 50,196,950
1968	.....	69,430,184
1969	.....	186,154,453
1970	.....	208,787,818
1971	.....	262,090,366

CONSOLIDATED REVENUE FUND
FOR FISCAL YEAR ENDED MARCH 31, 1971

OPENING BALANCE	\$	\$
Cash and temporary investments	645,310,220	
Ontario debentures held as investments	9,582,000	
	<hr/>	654,892,220
BUDGETARY TRANSACTIONS		
Net general revenue	3,751,575,637	
Net general expenditure	(3,845,996,565)	
	<hr/>	(94,420,928)
NON-BUDGETARY TRANSACTIONS		
Receipts and credits	250,790,786	
Disbursements and charges	(796,599,505)	
	<hr/>	(545,808,719)
DEBT TRANSACTIONS		
Proceeds of loans	717,738,000	
Loans matured or retired	(84,934,336)	
	<hr/>	632,803,664
CLOSING BALANCE		
Cash and temporary investments	635,189,737	
Ontario debentures held as investments	12,276,500	
	<hr/>	647,466,237

**COMPARATIVE STATEMENT OF INTERIM AND ACTUAL NET GENERAL
REVENUE FOR THE FISCAL YEAR APRIL 1, 1970 TO MARCH 31, 1971**

	INTERIM NET GENERAL REVENUE	ACTUAL NET GENERAL REVENUE	ACTUAL TO INTERIM INCREASE	DECREASE
	\$	\$	\$	\$
Taxation:				
Personal Income Tax Collection				
Agreement.....	991,800,000	991,845,315	45,315	
Retail Sales Tax.....	673,500,000	674,184,048	684,048	
Corporations Tax.....	414,100,000	414,063,374		36,626
Gasoline Tax.....	375,800,000	375,778,070		21,930
Succession Duty.....	81,300,000	81,315,769	15,769	
Tobacco Tax.....	75,300,000	75,301,460	1,460	
Motor Vehicle Fuel Tax.....	33,400,000	33,334,366		65,634
Share of Federal Estate Tax.....	28,400,000	28,382,750		17,250
Mines Profits, Acreage, Gas.....	25,700,000	25,441,642		258,358
Race Tracks Tax.....	20,300,000	20,341,749	41,749	
Land Transfer Tax.....	11,300,000	11,308,231	8,231	
Income Tax—Public Utilities.....	10,600,000	10,575,071		24,929
Security Transfer Tax.....	5,300,000	5,263,735		36,265
Logging Tax.....	1,700,000	1,695,723		4,277
Other Taxation.....	4,900,000	4,960,790	60,790	
Total Tax Revenue.....	2,753,400,000	2,753,792,093	857,362	465,269
Other Revenue:				
Premiums—O.H.S.I.P.....	309,600,000	320,332,396	10,732,396	
Fees, Licences and Permits.....	200,500,000	198,950,590		1,549,410
Profits from Trading Operations—				
Liquor Control Board of Ontario..	192,500,000	193,209,268	709,268	
Government of Canada—				
Post-Secondary Education Adjust-				
ment Payment, etc.....	187,000,000	191,271,025	4,271,025	
Royalties.....	31,400,000	30,052,135		1,347,865
Fines and Penalties.....	29,200,000	29,699,181	499,181	
Sales and Rentals.....	25,000,000	25,818,197	818,197	
Miscellaneous.....	8,700,000	8,450,752		249,248
Total Other Revenue.....	983,900,000	997,783,544	17,030,067	3,146,523
Total Net General Revenue.....	3,737,300,000	3,751,575,637	17,887,429	3,611,792

**COMPARATIVE STATEMENT OF INTERIM* AND ACTUAL NET GENERAL
EXPENDITURE FOR THE FISCAL YEAR APRIL 1, 1970 TO MARCH 31, 1971**

	INTERIM NET GENERAL EXPENDITURE	ACTUAL NET GENERAL EXPENDITURE	ACTUAL TO INTERIM	
			INCREASE	DECREASE
	\$	\$	\$	\$
Education.....	1,123,145,000	1,125,204,865	2,059,865	
Health.....	703,670,000	692,801,936		10,868,064
Highways.....	504,580,000	497,291,104		7,288,896
University Affairs.....	433,875,000	429,403,377		4,471,623
Municipal Affairs.....	262,938,000	262,090,366		847,634
Social and Family Services.....	143,528,000	144,033,420	505,420	
Justice.....	123,021,000	116,179,672		6,841,328
Public Works.....	106,147,000	104,073,499		2,073,501
Lands and Forests.....	74,916,000	71,068,902		3,847,098
Agriculture and Food.....	64,730,000	64,384,172		345,828
Public Debt—Interest.....	62,307,000	61,163,580		1,143,420
Correctional Services.....	52,637,000	49,600,237		3,036,763
Trade and Development.....	42,307,000	42,088,394		218,606
Energy and Resources Management....	32,704,000	31,669,162		1,034,838
Treasury and Economics.....	27,811,000	67,511,310	39,700,310	
Labour.....	18,467,000	16,717,152		1,749,848
Transport.....	15,564,000	14,700,452		863,548
Tourism and Information.....	13,759,000	13,575,847		183,153
Revenue.....	12,237,000	11,589,857		647,143
Mines and Northern Affairs.....	11,972,000	10,080,259		1,891,741
Provincial Secretary and Citizenship...	9,262,000	8,956,324		305,676
Financial and Commercial Affairs.....	5,466,000	5,215,979		250,021
Treasury Board.....	2,094,000	2,017,674		76,326
Civil Service.....	3,045,000	2,886,369		158,631
Provincial Auditor.....	1,074,000	988,903		85,097
Prime Minister.....	547,000	518,571		28,429
Lieutenant Governor.....	41,000	36,065		4,935
Government Stationery Account.....		149,117	149,117	
Total Net General Expenditure.....	3,851,844,000	3,845,996,565	42,414,712	48,262,147

*Adjusted for comparison with 1971-72.
See page 92 of 1971 Budget.

**COMPARATIVE STATEMENT OF INTERIM AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1970 TO MARCH 31, 1971**

	INTERIM NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO INTERIM INCREASE	DECREASE
	\$	\$	\$	\$
Receipts and Credits				
Proceeds of Non-Public Debenture Issues:				
Canada Pension Plan.....	476,000,000	476,038,000	38,000	
Teachers' Superannuation Fund...	80,000,000	80,000,000		
Ontario Municipal Employees Retirement Fund.....	57,600,000	57,600,000		
	<u>613,600,000</u>	<u>613,638,000</u>	<u>38,000</u>	
Repayment of Loans and Advances:				
The Ontario Education Capital Aid Corporation.....	28,700,000	28,686,521		13,479
The Ontario Junior Farmer Establishment Loan Corporation	13,200,000	13,200,000		
The Hydro-Electric Power Com- mission of Ontario.....	11,200,000	11,154,358		45,642
The Ontario Universities Capital Aid Corporation.....	10,200,000	10,052,708		147,292
Housing Corporations.....	4,800,000	4,336,782		463,218
Hospital Construction Loans.....	4,400,000	4,427,183	27,183	
Municipal Works Assistance.....	4,000,000	3,958,977		41,023
The Ontario Municipal Improve- ment Corporation.....	3,500,000	4,590,500	1,090,500	
Tile Drainage Debentures.....	2,300,000	2,295,495		4,505
Ontario Development Corporation.	1,300,000	1,349,045	49,045	
Other.....	19,200,000	19,225,438	25,438	
	<u>102,800,000</u>	<u>103,277,007</u>	<u>1,192,166</u>	<u>715,159</u>
Pension Funds, Deposit, Trust and Reserve Accounts:				
Public Service Superannuation Fund	87,900,000	86,362,275		1,537,725
Ontario Hospital Services Commis- sion — Premium Stabilization Account.....	25,400,000	25,380,000		20,000
Ontario Municipal Employees Re- tirement Fund.....	13,600,000	13,600,000		
Motor Vehicle Accident Claims Fund.....	8,000,000	8,045,682	45,682	
Other.....	500,000	1,627,334	1,127,334	
	<u>135,400,000</u>	<u>135,015,291</u>	<u>1,173,016</u>	<u>1,557,725</u>
Debenture Issues on behalf of The Hydro-Electric Power Commission of Ontario.....	84,100,000	84,100,000		
Province of Ontario Savings Office Deposits (net).....	7,700,000	12,498,488	4,798,488	
Total Receipts and Credits.....	<u>943,600,000</u>	<u>948,528,786</u>	<u>7,201,670</u>	<u>2,272,884</u>

**COMPARATIVE STATEMENT OF INTERIM AND ACTUAL NON-BUDGETARY
TRANSACTIONS FOR THE FISCAL YEAR APRIL 1, 1970 TO MARCH 31, 1971
(Continued)**

	INTERIM NON- BUDGETARY TRANSACTIONS	ACTUAL NON- BUDGETARY TRANSACTIONS	ACTUAL TO INTERIM INCREASE	DECREASE
Disbursements and Charges	\$	\$	\$	\$
Loans and Advances:				
The Ontario Education Capital Aid Corporation.....	201,500,000	201,512,000	12,000	
The Ontario Universities Capital Aid Corporation.....	175,000,000	174,760,000		240,000
The Hydro-Electric Power Commission of Ontario.....	84,100,000	84,100,000		
Ontario (and Student) Housing Corporation.....	50,300,000	44,807,108		5,492,892
Housing Corporation Limited.....	50,000,000	49,490,000		510,000
Ontario Water Resources Commission.....	39,500,000	38,033,501		1,466,499
Hospital Construction Loans and Assistance.....	29,600,000	29,639,200	39,200	
Hydro Nuclear Power Generating Station.....	23,800,000	23,900,914	100,914	
(Northern) and Ontario Development Corporation.....	13,300,000	14,381,267	1,081,267	
The Ontario Junior Farmer Establishment Loan Corporation.....	11,500,000	11,500,000		
The Ontario Municipal Improvement Corporation.....	6,500,000	6,278,000		222,000
Tile Drainage Debentures.....	6,000,000	5,766,350		233,650
Other.....	1,600,000	1,494,120		105,880
	<u>692,700,000</u>	<u>685,662,460</u>	<u>1,233,381</u>	<u>8,270,921</u>
Pension Funds, Deposit, Trust and Reserve Accounts:				
Ontario Hospital Services Commission — Premium Stabilization Account.....	67,000,000	67,000,000		
Public Service Superannuation Fund.....	24,200,000	23,494,851		705,149
Ontario Municipal Employees Retirement Fund.....	10,100, 00	10,100,000		
Motor Vehicle Accident Claims Fund.....	8,300,000	7,512,515		787,485
Vacation-with-pay Stamps Redemption.....	100,000	151,120	51,120	
Other.....	1,600,000	2,678,559	1,078,559	
	<u>111,300,000</u>	<u>110,937,045</u>	<u>1,129,679</u>	<u>1,492,634</u>
Total Disbursements and Charges.....	<u>804,000,000</u>	<u>796,599,505</u>	<u>2,363,060</u>	<u>9,763,555</u>
Surplus on Non-Budgetary Transactions	<u>139,600,000</u>	<u>151,929,281</u>	<u>4,838,610</u>	<u>(7,490,671)</u>

TREASURY BOARD ORDERS

STATEMENT OF TREASURY BOARD ORDERS ISSUED FOR THE AUTHORIZATION OF EXPENDITURES IN EXCESS OF APPROPRIATIONS DURING THE FISCAL YEAR ENDED MARCH 31, 1971

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	GENERAL EXPENDITURE		
	Department of Agriculture and Food		
	Departmental Administration:		
Mar. 10, 1971	Salaries	122,500	108,671
Feb. 24, 1971	Other Payments	18,000	14,048
	Agricultural Production:		
Mar. 10, 1971	Salaries	242,500	221,095
	Rural Development:		
Mar. 10, 1971	Salaries	13,000	9,142
	Grants under The Community Centres Act:		
Oct. 21, 1970	Order	\$ 400,000	
Feb. 24, 1971	Order	500,000	
		900,000	899,998
	Agricultural Marketing:		
Mar. 10, 1971	Salaries	21,000	993
	Agricultural Education and Research:		
Mar. 10, 1971	Salaries	58,500	32,411
		1,375,500	1,286,358
	Department of Civil Service		
	Departmental Administration:		
Mar. 18, 1971	Salaries	10,000	216
Mar. 18, 1971	Maintenance	20,000	14,143
Feb. 3, 1971	Charges for data processing services	27,000	26,782
	Personnel Management:		
Mar. 25, 1971	Salaries	15,000	12,008
	Personnel Development:		
Feb. 3, 1971	Salaries	388,000	78,354
Mar. 10, 1971	Maintenance	12,000	11,327
Mar. 18, 1971	Advertising	10,000	3,060
		482,000	145,890

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Correctional Services		
Feb. 24, 1971	Departmental Administration: Salaries.....	198,000	178,504
Feb. 24, 1971	Rehabilitation of Adult Offenders: Salaries.....	892,000	742,987
Feb. 24, 1971	Rehabilitation of Juveniles: Salaries.....	472,000	453,108
Feb. 24, 1971	Grants to private training schools.....	280,000	236,725
Mar. 10, 1971	Assistance to wards.....	98,000	97,808
		1,940,000	1,709,132
	Department of Education		
Nov. 25, 1970	Departmental Administration: Grants:		
April 1, 1971	Order.....\$ 995,500 Order.....60,000	1,055,500	1,049,237
April 22, 1971	Formal Education K-13: Salaries.....	230,000	229,614
Feb. 17, 1971	Assistance to School Authorities: General Legislative Grants..... Construction and equipment of additional vocational units for school boards, etc.:	12,000,000	11,998,871
Jan. 6, 1971	Order.....\$5,000,000		
Feb. 17, 1971	Order.....5,000,000		
April 1, 1971	Order.....2,000,000	12,000,000	11,999,974
Feb. 3, 1971	Continuing Education: Adult Training.....	10,079,000	10,079,000
Mar. 16, 1971	Grant to Ryerson Polytechnical Institute, etc.....	770,000	769,624
April 1, 1971	Community Services: Salaries.....	24,000	22,923
		36,158,500	36,149,243
	Department of Energy and Resources Management		
Feb. 17, 1971	Departmental Administration: Salaries:		
April 1, 1971	Order.....\$ 31,000 Order.....4,000	35,000	34,880
Feb. 17, 1971	Travelling expenses: Order.....\$ 7,000		
April 8, 1971	Order.....1,500		
Feb. 17, 1971	Maintenance.....	8,500	8,239
		131,500	131,201

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Energy and Resources Management—Continued		
	Renewable Resources Management:		
Feb. 17, 1971	Salaries.....	70,000	69,006
	Air Management:		
Feb. 17, 1971	Salaries.....	175,000	174,848
	Maintenance:		
Feb. 17, 1971	Order.....\$ 167,500		
Mar. 10, 1971	Order.....50,000	217,500	207,135
	Waste Management:		
Feb. 17, 1971	Travelling expenses.....	6,000	4,595
Feb. 17, 1971	Maintenance.....	13,500	10,140
	Ontario Water Resources Commission, Commission Administration:		
Mar. 10, 1971	Salaries.....	318,000	298,611
	Management of the Quality and Quantity of Water:		
Mar. 10, 1971	Salaries.....	583,000	581,357
Mar. 10, 1971	Travelling expenses.....	32,000	30,709
Mar. 10, 1971	Maintenance.....	218,000	217,720
	Provision of Sewage and Water Facilities and Related Funding:		
Mar. 10, 1971	Salaries.....	123,000	119,338
		1,931,000	1,887,779
	Department of Financial and Commercial Affairs		
	Departmental Administration:		
Mar. 10, 1971	Salaries.....	65,000	64,393
Jan. 13, 1971	Travelling expenses.....	7,000	6,980
Feb. 24, 1971	Maintenance.....	65,000	64,934
April 1, 1971	Research expenses.....	21,000	20,815
	Ontario Securities Commission:		
	Salaries:		
Mar. 10, 1971	Order.....\$ 70,000		
April 8, 1971	Order.....13,000	83,000	82,213
Mar. 10, 1971	Travelling expenses.....	7,000	4,368
April 1, 1971	Maintenance.....	8,000	7,971
	Superintendent of Insurance and Registrar of Loan and Trust Corporations:		
Mar. 10, 1971	Salaries.....	50,000	49,721
	Consumer Protection:		
Mar. 10, 1971	Salaries.....	160,000	154,177
Mar. 10, 1971	Travelling expenses.....	21,500	10,548
Nov. 19, 1970	Grants.....	25,000	22,556

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Financial and Commercial Affairs—Continued		
	Business Incorporations:		
Mar. 10, 1971	Salaries.....	55,000	49,535
		567,500	538,211
	Department of Health		
	Departmental Administration:		
Mar. 18, 1971	Salaries.....	175,500	168,133
Mar. 25, 1971	Maintenance.....	53,000	52,902
Feb. 17, 1971	Other payments—Financial Services.....	135,000	134,995
	Public Health:		
April 1, 1971	Salaries.....	346,000	338,984
	Mental Health:		
Mar. 10, 1971	Salaries.....	9,649,500	9,245,937
April 1, 1971	Other payments—Mental Health Services.....	2,529,000	2,492,032
	Health Services Insurance:		
Feb. 17, 1971	Salaries.....	1,163,000	1,068,094
Jan. 6, 1971	Travelling expenses.....	10,000	1,300
Jan. 6, 1971	Maintenance.....	586,500	496,802
April 8, 1971	Payments authorized under The Health Services Insurance Act.....	26,500,000	21,853,797
	Health Insurance Registration:		
Mar. 18, 1971	Salaries.....	415,000	325,417
		41,562,500	36,178,393
	Department of Highways		
	Departmental Administration:		
Mar. 10, 1971	Salaries.....	525,000	522,763
April 15, 1971	Maintenance.....	54,000	52,329
Feb. 3, 1971	Other payments.....	150,000	35,091
	Road Maintenance:		
April 8, 1971	Winter Maintenance.....	3,700,000	3,678,843
Feb. 17, 1971	Repaving of present roads.....	500,000	361,344
April 8, 1971	Roads in Unincorporated Townships in Northern Ontario.....	35,000	29,209
April 8, 1971	Municipal subsidies.....	4,255,000	4,165,769
Mar. 18, 1971	Equipment purchases.....	80,000	64,709
	Road Construction:		
April 8, 1971	Road construction and property purchases.....	8,000,000	6,981,080
April 8, 1971	Municipal subsidies.....	3,300,000	3,153,443
Mar. 10, 1971	Salaries.....	2,325,000	2,282,820
April 15, 1971	Maintenance.....	75,000	71,075
	GO Transit:		
Mar. 10, 1971	Salaries.....	21,000	16,711
		23,020,000	21,415,186

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Justice		
	Law Officer of the Crown:		
	Salaries:		
Feb. 17, 1971	Order.....\$ 23,000		
April 8, 1971	Order.....7,000		
		30,000	29,663
Jan. 21, 1971	Maintenance.....	7,000	6,758
	Royal Commissions:		
Dec. 9, 1970	Order.....\$ 21,000		
Feb. 3, 1971	Order.....80,000		
		101,000	72,407
	Crown Legal Services:		
Feb. 17, 1971	Maintenance.....	98,000	98,000
Jan. 21, 1971	Crown Counsel Prosecutions.....	185,000	178,475
Oct. 21, 1970	Counsel Fees.....	5,000	215
Jan. 21, 1971	Law Library.....	3,000	2,999
Oct. 21, 1970	Other payments.....	74,000	73,502
	Legislative Counsel Services:		
	Salaries:		
Feb. 17, 1971	Order.....\$ 31,000		
April 8, 1971	Order.....3,000		
		34,000	30,601
	Courts Administration:		
Feb. 17, 1971	Salaries.....	2,357,000	2,177,187
April 8, 1971	Travelling expenses.....	36,000	33,362
	Maintenance:		
Feb. 17, 1971	Order.....\$ 65,000		
Feb. 24, 1971	Order.....1,408,000		
		1,473,000	1,472,988
Feb. 17, 1971	Contribution to Legal Aid Fund, Law Society of Upper Canada.....	2,062,000	2,061,600
	Probation Services:		
Feb. 17, 1971	Salaries.....	244,000	138,770
April 8, 1971	Maintenance.....	7,000	6,992
	Official Guardian and Public Trustee Services:		
Feb. 17, 1971	Salaries.....	56,000	47,254
Feb. 17, 1971	Maintenance.....	85,000	44,581
	Land Registration Services:		
Feb. 17, 1971	Salaries.....	626,000	522,815
Feb. 17, 1971	Travelling expenses.....	10,000	4,864
April 8, 1971	Maintenance.....	172,000	171,979
	Public Safety:		
Feb. 17, 1971	Salaries.....	321,000	277,981
	Maintenance:		
Feb. 17, 1971	Order.....\$ 11,000		
April 1, 1971	Order.....19,500		
April 8, 1971	Order.....136,000		
		166,500	166,136
April 1, 1971	Municipal Projects.....	13,000	3,988
Dec. 14, 1970	Compensation to victims of crime.....	140,000	139,952
April 8, 1971	Expropriation Investigations.....	11,000	7,184

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Justice—Continued		
	Departmental Administration:		
	Salaries:		
Feb. 17, 1971	Order.....\$ 299,000		
April 8, 1971	Order.....32,000		
		331,000	330,565
Feb. 17, 1971	Travelling expenses.....	4,000	2,841
Feb. 17, 1971	Maintenance.....	49,000	48,988
	Other payments:		
Jan. 21, 1971	Order.....\$ 14,000		
April 8, 1971	Order.....9,000		
		23,000	21,030
	Law Research and Development:		
	Salaries:		
Feb. 17, 1971	Order.....\$ 25,000		
April 1, 1971	Order.....60,000		
		85,000	84,410
	Supervision of Police Forces:		
Feb. 17, 1971	Salaries.....	88,000	87,759
	Ontario Provincial Police—Administration:		
Mar. 10, 1971	Salaries.....	150,000	147,921
Jan. 21, 1971	Maintenance.....	143,000	142,911
	Traffic Law Enforcement:		
Mar. 10, 1971	Salaries.....	1,170,000	1,157,336
Mar. 10, 1971	Maintenance.....	131,000	68,930
April 8, 1971	Movement of personnel.....	3,500	3,209
Mar. 10, 1971	Mobile equipment—purchase and maintenance.....	357,500	353,216
	Criminal and General Law Enforcement:		
Mar. 10, 1971	Salaries.....	1,060,000	1,057,350
Mar. 10, 1971	Maintenance.....	107,000	60,680
April 8, 1971	Movement of personnel.....	3,000	2,625
Mar. 10, 1971	Mobile equipment—purchase and maintenance.....	292,500	289,125
		12,314,000	11,629,149
	Department of Labour		
	Departmental Administration:		
Feb. 3, 1971	Salaries.....	127,000	102,478
Feb. 17, 1971	Charges for data processing services.....	15,000	8,187
	Industrial Relations:		
Feb. 3, 1971	Salaries.....	171,000	143,425
Feb. 17, 1971	Per Session allowances.....	12,000	8,530
	Manpower Development:		
Feb. 3, 1971	Salaries.....	191,000	188,957
Mar. 18, 1971	Maintenance.....	90,000	81,563
	Human Rights Commission:		
Feb. 3, 1971	Salaries.....	44,000	41,179

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Labour—Continued		
	Employment Standards:		
Feb. 3, 1971	Salaries.....	186,000	157,646
Dec. 14, 1970	Maintenance.....	50,000	34,627
	Athletics Commission:		
Feb. 3, 1971	Salaries.....	2,000	1,641
Feb. 17, 1971	Maintenance.....	1,000	383
Feb. 24, 1971	Assistance to Amateur Sport.....	10,000	10,000
	Energy Resources Management:		
Feb. 3, 1971	Salaries.....	47,000	35,030
		946,000	813,646
	Department of Lands and Forests		
	Departmental Administration:		
Mar. 10, 1971	Salaries.....	259,000	242,477
Feb. 24, 1971	Unemployment insurance.....	20,000	651
Feb. 24, 1971	Workmen's Compensation Board.....	34,000	18,475
	Resource Protection and Development:		
April 8, 1971	Salaries.....	200,000	157,057
Feb. 24, 1971	Maintenance.....	501,500	459,929
	Extra Fire Fighting:		
Sept. 23, 1970	Order.....\$ 600,000		
Nov. 25, 1970	Order.....125,000		
		725,000	724,936
April 8, 1971	Construction of logging and forest access roads— for protection and management of resources.....	46,000	25,597
	Recreation:		
	Salaries:		
Feb. 24, 1971	Order.....\$ 54,000		
April 8, 1971	Order.....325,000		
		379,000	285,600
Feb. 24, 1971	Maintenance.....	113,500	69,396
Feb. 24, 1971	Payments of Wolf Bounty.....	10,000	8,014
	Acquisition and development of land:		
Mar. 18, 1971	Order.....\$1,124,000		
Mar. 25, 1971	Order.....352,000		
April 1, 1971	Order.....400,000		
		1,876,000	1,708,324
		4,164,000	3,700,456
	Department of Mines and Northern Affairs		
	Departmental Administration:		
	Salaries:		
Jan. 27, 1971	Order.....\$ 387,000		
April 1, 1971	Order.....4,500		
		391,500	389,374

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
Department of Mines and Northern Affairs			
—Continued			
Departmental Administration—Continued			
Feb. 17, 1971	Travelling expenses	36,000	17,655
Feb. 17, 1971	Maintenance, including office machinery and furniture for entire Department	306,500	217,192
	Professional fees and expenses:		
Aug. 26, 1970	Order	\$ 2,500	
Oct. 21, 1970	Order	9,000	
Jan. 21, 1971	Order	6,000	
		17,500	14,010
Provincial Geological Services:			
Feb. 17, 1971	Salaries	99,500	89,524
Mine Safety and Public Protection:			
	Salaries:		
Mar. 10, 1971	Order	\$ 38,500	
April 1, 1971	Order	6,500	
		45,000	42,978
Mar. 10, 1971	Travelling expenses	7,500	3,936
General Services for Mining Public:			
Mar. 10, 1971	Salaries	64,500	60,370
Mar. 10, 1971	Travelling expenses	6,000	4,296
Energy and Resources Management:			
Mar. 18, 1971	Salaries	14,000	12,638
April 8, 1971	Well plugging	26,500	26,306
Ontario Energy Board:			
Feb. 17, 1971	Salaries	24,000	13,826
Mar. 10, 1971	Maintenance	500	430
	Hearing costs:		
June 17, 1970	Order	\$ 19,000	
July 22, 1970	Order	29,000	
Mar. 10, 1971	Order	11,000	
		59,000	58,970
		1,098,000	951,505
Department of Municipal Affairs			
Departmental Administration:			
	Salaries:		
Feb. 17, 1971	Order	\$ 148,000	
April 8, 1971	Order	42,000	
		190,000	189,859
April 8, 1971	Maintenance	12,000	10,842
Provincial Assessment:			
Feb. 17, 1971	Salaries	4,000,000	3,999,727
Planned Development of Municipalities:			
Mar. 18, 1971	Salaries	130,000	119,638
April 8, 1971	Maintenance	14,000	12,691
Mar. 10, 1971	Development Grants	1,000,000	856,605

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Municipal Affairs—Continued		
	Effective Local Government:		
Mar. 18, 1971	Salaries	220,000	155,933
	Maintenance:		
Feb. 24, 1971	Order\$ 313,000		
April 8, 1971	Order 14,000	327,000	316,694
	Organization Grants:		
Dec. 9, 1970	Order\$ 42,500		
Mar. 25, 1971	Order 250,000	292,500	290,596
	Ontario Municipal Board:		
April 8, 1971	Salaries.....	70,000	63,671
Feb. 24, 1971	Travelling expenses.....	8,000	5,572
Feb. 24, 1971	Maintenance.....	15,000	8,194
	Tax Diminution:		
Oct. 28, 1970	The Assessment Act.....	825,000	759,882
Jan. 26, 1971	The Drainage Act.....	1,000,000	999,946
Jan. 26, 1971	The Residential Property Tax Reduction Act:		
	Main Benefit.....	6,000,000	2,860,269
Dec. 14, 1970	The Municipal Tax Assistance Act.....	600,000	442,169
		14,703,500	11,092,288
	Department of Prime Minister		
	Departmental Administration:		
	Salaries:		
Dec. 14, 1970	Order\$ 100,000		
Mar. 10, 1971	Order 25,000	125,000	120,973
	Maintenance:		
Mar. 10, 1971	Order\$ 5,000		
April 8, 1971	Order 10,000	15,000	14,790
		140,000	135,763
	Office of Provincial Auditor		
	Administration of the Audit Act and Statutory Audits:		
Mar. 25, 1971	Salaries.....	25,000	19,587
		25,000	19,587

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Provincial Secretary and Citizenship		
	Departmental Administration:		
April 15, 1971	Salaries.....	4,000	2,705
Feb. 3, 1971	Government hospitality fund.....	5,000	4,397
	Citizenship:		
April 15, 1971	Salaries.....	9,000	8,734
	Travelling expenses:		
Feb. 24, 1971	Order.....\$ 12,000		
April 15, 1971	Order.....7,000		
		19,000	18,199
April 15, 1971	Teaching costs.....	28,000	27,707
	Community programs and grants:		
Oct. 7, 1970	Order.....\$ 50,000		
Mar. 18, 1971	Order.....40,000		
		90,000	89,942
Mar. 25, 1971	Community development projects for Indian people as may be approved by the Lieutenant Governor in Council.....	50,000	49,923
	Registrar General:		
April 15, 1971	Salaries.....	62,000	61,459
	Legislative Services:		
Jan. 27, 1971	Members' services including secretarial, research, office equipment and supplies, maintenance, printing, etc.....	74,500	74,234
	Stationery, including printing paper, printing Bills, distribution of Statutes, printing and binding:		
Jan. 13, 1971	Order.....\$ 50,000		
Mar. 25, 1971	Order.....12,000		
April 15, 1971	Order.....60,000		
		122,000	119,124
Jan. 6, 1971	Hansard—printing.....	50,000	33,329
July 15, 1970	Legislative Art Purposes.....	5,000	3,250
		518,500	493,003
	Department of Public Works		
	Departmental Administration:		
Mar. 10, 1971	Salaries.....	194,000	182,742
April 1, 1971	Maintenance.....	43,000	38,548
	Provision of Accommodation:		
Mar. 10, 1971	Salaries.....	593,000	538,846
April 1, 1971	Real estate—purchasing, leasing, construction and management of properties, and expenses in connection therewith.....	5,000,000	4,604,102

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Public Works—Continued		
	Central Services:		
Mar. 10, 1971	Salaries.....	23,000	21,297
April 1, 1971	Maintenance.....	8,000	2,054
Nov. 17, 1970	Mailing services.....	86,000	65,588
April 8, 1971	Printing and duplicating services.....	*38,000	
April 15, 1971	Telephone services—Rental of equipment, etc.....	105,000	71,021
		6,090,000	5,524,198
	Department of Revenue		
	Departmental Administration:		
Mar. 10, 1971	Salaries.....	46,000	26,871
	Collection of Taxes:		
Mar. 10, 1971	Salaries.....	549,000	489,744
		595,000	516,615
	Department of Social and Family Services		
	Departmental Administration:		
Feb. 17, 1971	Salaries.....	84,000	53,845
April 8, 1971	Maintenance.....	16,500	5,167
	Income Maintenance:		
Feb. 17, 1971	Salaries.....	366,000	297,714
	Maintenance:		
Feb. 17, 1971	Order.....\$ 115,500		
April 8, 1971	Order.....50,000		
		165,500	156,019
Mar. 10, 1971	Provincial Allowances and Benefits.....	1,528,000	1,264,694
	Municipal Allowances and Assistance:		
Jan. 6, 1971	Order.....\$1,663,000		
Mar. 25, 1971	Order.....6,450,000		
		8,113,000	8,052,446
Mar. 10, 1971	Subsidies—Residential Care and Services for Adults re operation and maintenance.....	3,666,000	3,623,596
	Rehabilitation and Special Services:		
Feb. 17, 1971	Maintenance.....	42,000	34,366
Feb. 17, 1971	Grants, allowances and assessment, counselling and rehabilitation services.....	60,000	41,321
	Children's Services:		
	Maintenance:		
Nov. 25, 1970	Order.....\$ 15,000		
Feb. 24, 1971	Order.....14,000		
		29,000	26,968
Feb. 17, 1971	Subsidies to Children's Aid Societies—operation and maintenance.....	438,000	431,170
Nov. 4, 1970	Other payments.....	28,000	22,324
		14,536,000	14,009,630

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Tourism and Information		
	Departmental Administration:		
Feb. 17, 1971	Salaries.....	33,000	26,700
Feb. 17, 1971	Travelling expenses.....	3,000	2,975
	Maintenance:		
Mar. 18, 1971	Order.....\$ 9,000		
April 15, 1971	Order.....1,500		
		10,500	10,065
	Tourism:		
Feb. 17, 1971	Salaries.....	220,000	193,299
	Maintenance:		
Mar. 10, 1971	Order.....\$ 252,000		
April 1, 1971	Order.....42,000		
April 8, 1971	Order.....75,000		
		369,000	366,286
	Archives and History:		
	Salaries:		
Feb. 17, 1971	Order.....\$ 30,000		
April 8, 1971	Order.....2,000		
		32,000	31,971
Feb. 24, 1971	Maintenance.....	29,000	26,475
Feb. 24, 1971	Grants.....	50,000	49,771
	Theatres:		
Feb. 17, 1971	Salaries.....	30,000	26,669
Mar. 10, 1971	Maintenance.....	17,000	6,136
	Government Services:		
Feb. 17, 1971	Salaries.....	12,000	10,001
Mar. 18, 1971	Broadcast News Services.....	15,000	11,964
	The Centennial Centre of Science and Technology:		
April 1, 1971	Salaries.....	70,000	68,743
		890,500	831,055
	Department of Trade and Development		
	Departmental Administration:		
Dec. 17, 1970	Salaries.....	219,000	183,401
	Trade and Industrial Development:		
Dec. 17, 1970	Salaries.....	315,000	280,850
Mar. 18, 1971	Travelling expenses.....	25,000	20,168
Mar. 18, 1971	Maintenance.....	35,000	32,655
	Selective Immigration:		
Dec. 17, 1970	Salaries.....	5,000	1,877
	Ontario Economic Council:		
Mar. 18, 1971	Travelling expenses.....	500	331
	Exposition Development:		
Aug. 26, 1970	Participation in the Japanese Universal and International Exhibition of 1970.....	200,000	193,906
Feb. 3, 1971	Ontario Place Development.....	5,454,000	5,415,678

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
	Department of Trade and Development —Continued	\$	\$
Feb. 17, 1971	Ontario Development Corporation: Contribution to the Ontario Development Corporation to finance its operation.....	196,000	196,000
	Ontario Housing Corporation: Subsidies in the form of contribution to the Ontario Housing Corporation to finance its operation:		
Jan. 27, 1971	Order.....\$1,358,500		
April 1, 1971	Order.....4,181,000		
April 8, 1971	Order.....404,500		
		5,944,000	5,944,000
		12,393,500	12,268,866
	Department of Transport		
Feb. 24, 1971	Departmental Administration: Salaries.....	115,000	97,678
Feb. 24, 1971	Vehicles and Drivers: Salaries.....	685,000	680,132
Mar. 18, 1971	Maintenance.....	90,000	84,668
April 8, 1971	Registration plates and supplies.....	70,000	65,338
Feb. 24, 1971	Common Carriers: Salaries.....	215,000	182,562
Mar. 25, 1971	Maintenance.....	30,000	17,469
Feb. 24, 1971	Motor Vehicle Accident Claims: Salaries.....	47,000	42,148
Feb. 24, 1971	Travelling expenses.....	2,000	353
April 8, 1971	Transportation: Salaries.....	10,000	8,186
Jan. 6, 1971	Legal, medical and witness fees, etc.....	6,000	4,802
		1,270,000	1,183,336
	Department of Treasury and Economics		
Dec. 9, 1970	Departmental Administration: Travelling expenses.....	9,000	1,407
Dec. 9, 1970	Maintenance: Order.....\$ 28,000		
Feb. 24, 1971	Order.....30,000	58,000	45,174
Feb. 24, 1971	Royal Commission on Civil Rights.....	65,000	54,778
Feb. 24, 1971	Policy Planning: Salaries.....	212,000	180,230
Jan. 21, 1971	Travelling expenses.....	34,000	22,352
Nov. 15, 1970	Maintenance.....	163,000	155,659
Feb. 24, 1971	Tax studies.....	86,000	85,979
Jan. 21, 1971	Funds for grants, research and special expenses for Regional Development.....	198,000	164,285

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Treasury and Economics —Continued		
	Economic and Statistical Services:		
Feb. 24, 1971	Salaries.....	77,000	66,783
Nov. 3, 1970	Maintenance.....	82,000	81,948
Nov. 3, 1970	Charges for data processing services.....	230,000	227,226
	Government Accounting:		
Feb. 24, 1971	Salaries.....	106,000	70,145
Feb. 24, 1971	Maintenance.....	32,000	31,474
Feb. 24, 1971	Unemployment insurance.....	2,000	1,087
	Government Benefit Plans:		
Feb. 24, 1971	Salaries.....	56,000	43,629
	Maintenance:		
Nov. 15, 1970	Order.....\$ 38,000		
Feb. 24, 1971	Order.....45,000		
		83,000	83,000
Feb. 24, 1971	Contributions to Employees' Insurance Plans.....	*114,000	
Feb. 24, 1971	Provision to increase, where applicable, annual combined allowances under The Public Service Superannuation Act and the Canada Pension Plan to \$2,100 and \$1,050 for former contributors and dependants respectively. These minimum benefits, actuarially reduced, will also apply to annuitants with ten or more years of service, and their dependants.....	90,000	83,951
	Computer Services:		
Feb. 24, 1971	Data processing operating costs.....	248,000	56,909
	Supervision of Employees' Pension Plans:		
	Salaries and allowances:		
Feb. 24, 1971	Order.....\$ 10,000		
April 8, 1971	Order.....7,000		
		17,000	14,785
	Regulation of Horse Racing:		
Feb. 24, 1971	Salaries and allowances.....	25,000	23,394
Feb. 24, 1971	Maintenance.....	12,000	11,998
Feb. 24, 1971	Services and expenses of officials at tracks.....	50,000	40,301
Feb. 24, 1971	Grants and expenses for encouragement and improvement of horse racing in Ontario, including research into equine medicine, etc.....	3,000	668
		2,052,000	1,547,162
	Treasury Board		
	Treasury Board:		
Mar. 10, 1971	Salaries.....	66,000	64,400
		66,000	64,400

DATE OF ORDER	SERVICE	AUTHORIZED	EXPENDED
	Department of University Affairs	\$	\$
	Departmental Administration:		
Feb. 17, 1971	Salaries.....	10,000	3,534
	University Support:		
Feb. 17, 1971	Salaries.....	119,000	86,633
April 15, 1971	Charges for data processing services.....	43,000	43,000
Mar. 12, 1971	Grants—support to universities and colleges.....	4,118,000	4,116,684
Mar. 12, 1971	Grants to related institutions and organizations.....	500,000	497,906
	Grants and awards to students:		
Dec. 17, 1970	Order.....\$ 410,000		
Mar. 25, 1971	Order.....250,000		
		660,000	602,541
		5,450,000	5,350,298
	Total General Expenditure, Treasury Board Orders.....	184,289,000	169,441,149
	DISBURSEMENTS AND CHARGES		
	Department of Energy and Resources Management		
	Ontario Water Resources Commission— Provision of Sewage and Water Facilities and Related Funding:		
	Disbursements—Provincial Projects:		
Feb. 24, 1971	Order.....\$2,500,000		
April 1, 1971	Order.....2,500,000		
		5,000,000	4,930,080
	Department of Health		
	Ontario Hospital Services:		
Mar. 10, 1971	Disbursements—Capital Financial Assistance.....	1,641,000	1,639,199
	Department of Trade and Development		
	Ontario Housing Corporation:		
Mar. 10, 1971	Disbursements—Advances for projects under The Ontario Housing Corporation Act.....	8,720,000	3,220,000
	Total Disbursements and Charges, Treasury Board Orders.....	15,361,000	9,789,279
	Total Treasury Board Orders.....	199,650,000	179,230,428

*Indicates funds used for temporary financing during the fiscal year.

SPECIAL WARRANTS

STATEMENT OF SPECIAL WARRANTS ISSUED DURING THE FISCAL YEAR
ENDED MARCH 31, 1971

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	GENERAL EXPENDITURE		
	Department of Education		
Jan. 21, 1971	Supplementing, effective January 1, 1971, and in accordance with the table, superannuation and disability pensions as well as annuities and widows' pensions received from the Teachers' Superannuation Fund by certain former Ontario teachers and certain widows and dependents of former Ontario teachers..	1,200,000	1,013,364
	Department of Highways		
Jan. 7, 1971	Financing the Ontario Seasonal Employment Program	1,375,000	1,375,000
Feb. 4, 1971	Financing the Ontario Seasonal Employment Program	2,000,000	1,094,018
	Department of Mines and Northern Affairs		
Jan. 14, 1971	Reimbursing Mr. Frank Warne who had a special claim against the Department.....	253	253
	Department of Municipal Affairs		
Nov. 26, 1970	Establishment of the Regional Police Force in the Regional Municipality of Niagara.....	75,000	69,717
Dec. 17, 1970	Providing relief to the Town of Hespeler for loss of assessment as a result of appeals.....	148,000	148,000
Feb. 4, 1971	Payment of a contribution to match dollar for dollar the moneys raised by public subscription to compensate victims of the disaster of August 20, 1970 in the Sudbury-West Nipissing area.....	375,000	334,811
Mar. 1, 1971	Reducing the cost suffered as a result of the windstorm which struck the area to the west of the Town of Orangeville on August 30, 1970.....	10,000	5,418
	Department of Social and Family Services		
Nov. 26, 1970	Payments to the Centres D'Accueil Champlain, 275 Perrier Street, Ottawa, for the purpose of the continued operation of the charitable institution.....	242,000	242,000
Dec. 17, 1970	Payments to the Corporation known as Ursuline Religious of the Diocese of London for the purpose of making alterations and renovations to the premises known as "Glengorda" situated in the City of Windsor and owned and operated by the corporation as a residence and school for retarded children.....	54,000	54,000

DATE OF WARRANT	SERVICE	AUTHORIZED	EXPENDED
		\$	\$
	Department of Trade and Development		
Mar. 1, 1971	Honouring the Crown Guaranteed Loan made to Wrimco Chemicals Limited by Order-in-Council numbered OC-3836/68 under The Ontario Develop- ment Corporation Act, 1966. Wrimco Chemicals Limited has now been liquidated, and the Toronto- Dominion Bank has presented its demand for pay- ment by the Crown of all moneys owed to the Bank under the Guaranteed Loan.....	120,000	114,965
Mar. 11, 1971	Providing funds for grant in lieu of taxes to the Town- ship of Chinguacousy for 1970.....	257,896	257,896
Mar. 24, 1971	Discharging the outstanding advances due the Treasurer of Ontario and Minister of Economics from the Sheridan Park Corporation on the winding up of the affairs of that Corporation. The outstanding ad- vances total \$2,564,067; Sheridan Park Corporation has assets of \$1650.....	2,562,417	2,562,417
	Department of Treasury and Economics		
Jan. 14, 1971	Satisfying an outstanding travel insurance premium expenditure.....	85,650	85,650
Jan. 14, 1971	Supplementing, effective January 1, 1971 and in accord- ance with the table, superannuation and disability pensions as well as annuities and widows' pensions received from the Public Service Superannuation Fund by certain former Ontario civil servants and certain widows of former Ontario civil servants.....	500,000	480,814
	Total Special Warrants.....	9,005,216	7,838,323

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